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OTTAWA, MARCH 11, 1950

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COVER SUBJECT—Three hundred fertile eggs were recently flown from Vancouver to Hong Kong for the Dairy Farm, Ice Cream and Cold Storage Company, which expressed a desire to establish a Canadian pedigreed strain in its flock of poultry. This same firm has also imported a number of Canadian cattle in an effort to improve the quality of its stock.

Price 10 cents

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Canadian Minister Discusses Two-Way Trade on Visit to Mexico

Hon. Robert H. Winters, Minister of Resources and Development, reviews rise of Canada to second place as source of supply for Mexico—Canadian businessmen interested in industrial development of this Latin American Republic—Reference made to importation of purebred cattle from this country.

CANADIAN trade with Mexico was considered a good example of the belief, held by Canadians, in the virtues of the freest possible international exchange of people and goods. This opinion was expressed by the Hon. Robert H. Winters, Minister of Resources and Development, in an address delivered on March 10 in Mexico City to the Massachusetts Institute of Technology Club of that city. Prior to his discussion of the commercial relations prevailing between these two countries, the Minister conveyed a message of friendship to the Mexican people. He also made reference to the geographical importance of Mexico, as a link between North and South America, and to the cultural influence of Mexicans.

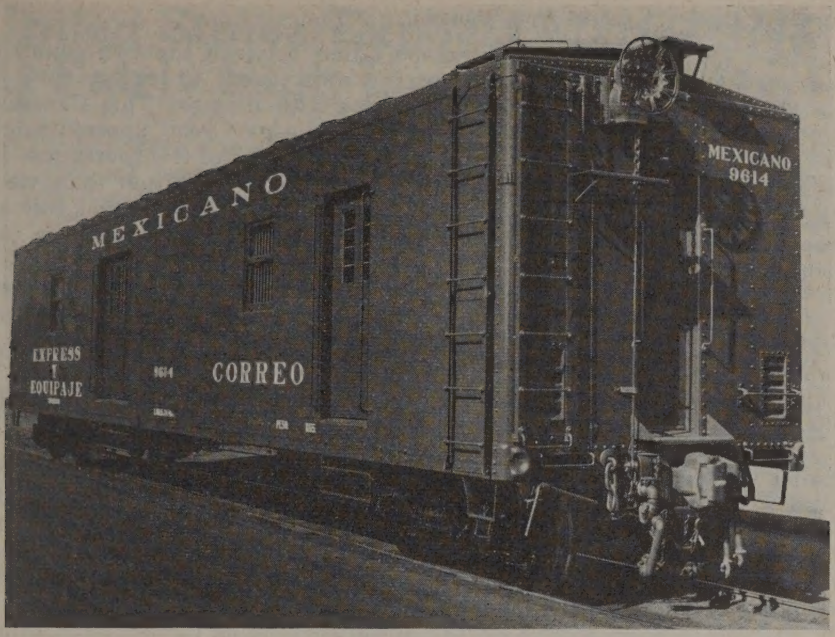
Canada is now firmly in second position as a chief supplier to Mexico, having advanced from fifteenth place in a period of four years. Likewise, for the first time, Canada has become Mexico's second best customer, exceeded only by the United States. This is a truly remarkable achievement, Mr. Winters declared. It was only four years ago that the Canadian Minister of Trade and Commerce visited Mexico City, and signed a trade agreement that came provisionally into force on February 8, 1946.

In the year preceding the conclusion of this treaty, Canada sold Mexico $8 million worth of goods, mainly newsprint, some machinery and chemicals. Exports in 1949 increased to over $15 million, and included wheat, aluminum, a wide variety of machinery and equipment required to assist in the development of industry, electrification, the mechanization of agriculture and the improvement of the transportation system, in addition to newsprint.

Mexico Has Favourable Trade Balance with Canada

"We have been buying as much from your country as we need and could get at competitive prices," the Minister continued, "and with little regard for the fact that we have been buying more from your country than we have been selling to you. Our purchases from Mexico in 1949 were valued at more than $25 million, including large quantities of raw cotton, fruits, vegetables, sisal and tampico fibres, and some metals. As a result, Mexico had a favourable trading balance of over $10 million with Canada in the last year.

"To our thinking, there is no better way of demonstrating our belief that world prosperity depends on high levels of trade than to expand imports from those countries which we hope will be able, as a result of their increased earnings, to buy more from us. Our trading relations with your country are a good case in point. In 1939, our total trade, both exports and imports, was about $3·5 million. Canada had a favourable balance of trade with Mexico of $3 million. In 1949, however, our trade was over $40 million, and Mexico had a favourable trade balance of over $10 million. Canadians are anxious to buy even more from Mexico in 1950, and are hopeful that Mexico in turn will buy more from us, to our mutual benefit.



Mexico—Modified box car for mail and express service, one of fifty cars manufactured in Canada for the National Railways of Mexico.

Courtesy National Steel Car Corporation.

Canadian Businessmen Interested in Mexico

"Canada's belief in Mexico's future is indicated by the interest shown by Canadian businessmen and investors in participating in the industrial development of your country. Canadian participation is particularly notable in the development of public utilities. More recently, increasing interest has been shown in the establishment of branch plants," Mr. Winters pointed out.

"Canadian firms have been impressed by the economic opportunities that exist in Mexico and by the positive way in which Mexican business, labour and government have concentrated on the rapid industrial development of your country. Reflecting the rapidly rising trade between our two countries, there are now over 300 Canadian business representatives in Mexico. While their task is mainly to do more business with Mexico, I am advised that in some cases they have sent such glowing reports back to their Canadian head offices as to encourage these companies to examine the feasibility of setting up branch plants in your country. This would be done where practicable in conjunction with Mexican interests, to make possible the production and sale at competitive prices in your country of originally Canadian goods of high quality.

"Since the end of World War II the need for closer relations between our two countries has led to the development of direct transportation services by sea and air. A Canadian company started a regular service for both passengers and freight shortly after hostilities ended. Increasing exchange of both people and goods has proved an incentive to other companies to enter the field. More recently another Canadian company and a foreign company have made arrangements for regular sailings to Mexican ports of call from Canada.

Purebred Cattle Imported from Canada

"An interesting aspect of transportation between the two countries has been the movement of purebred and other cattle to replace some of the Mexican herds ravaged by foot and mouth disease. This Canadian stock has been flown into your country. In the past year, approximately 270 head of cattle have travelled by air. This method of transportation has been a success in that it delivered cattle in better condition than via a long rail passage or by steamer. We have reason to believe that this air movement may well lead to further Canadian-Mexican trade in this manner.

"The friendliness between our two nations is reflected in the intimate exchange of information and people. There are at present over 700 Mexican students at Canadian schools and universities. Each year thousands of Canadian tourists visit Mexico, bringing back with them the treasure of holidays pleasantly spent. There is a free and growing exchange of scientific information, literature, art, music and films.

"Canada has achieved its present high degree of industrialization by a combination of several factors: hard work, friendly co-operation with other nations, and the good fortune of a multitude of natural resources. Having gone through this process only recently, and continuing further along the road, Canadians are very sympathetic to the endeavours of other nations wanting to go the way of industrialization as rapidly as their resources make it possible and their credits permit.

"In recent years Mexico's efforts towards speeding up industrialization have met with a great deal of success, widely recognized in Canada and the United States. The industrial growth of your own country took place in three stages, coinciding roughly with the timing in my country. Your most rapid expansion, however, has been telescoped into the short space of little more than a decade. Under the urgency imposed by scarcities created by World War II, coupled with encouragement from government measures, a great number of new and diverse industries sprang up in your country. I am advised that the large expansion has ranged over many industries, producing a great variety of commodities of both capital and consumer goods, and including also intermediate processing stages: primary steel, chemicals, building materials, machinery and equipment, motor cars, textiles and leather goods.

"In fact, some of the rewards of your labour have already been reaped. I am told that your industrial output now is about 50 per cent higher than it was before the war, and that your manufacturing industries are contributing one-quarter to your national income. Another quarter comes from primary industries and the remaining half from commerce, service industries and government operations.

"While you have achieved much, I believe you have even greater plans for the future. Further diversification of your economy is contemplated. A vigorous program of agricultural development and improvement of transportation facilities is envisaged. I am told that continued expansion of power facilities and further development of your primary industries, particularly mining and petroleum, is planned. The growth of your secondary industries, particularly processing and manufacturing, is to be further stimulated," Mr. Winters said.

"I understand that your government is also encouraging foreign interests in the industrial development of your country, particularly of the type that enables Mexican participation and is in the long-term national interest. Such encouragement is being carefully examined by Canadian business firms. I am hopeful that fruitful co-operation between Mexican and Canadian business interests can be developed to the mutual benefit of both our countries."

United States Exports Maintained At Fairly High Levels Last Year

Likely due to large disbursements made under the foreign aid program—Exports, valued at approximately $12 billion, declined five per cent from the 1948 figure, while imports, valued at $6·6 billion, decreased seven per cent.

By H. M. Maddick, Assistant Commercial Secretary for Canada

(Editor's Note—This is the last of two reports on economic conditions in the United States in 1949, prepared for *Foreign Trade*.)

WASHINGTON, February 9, 1950.—Despite the continuing dollar shortage in many countries, the increase in foreign production and the imposition of further restrictions, United States exports were maintained at fairly high levels during the past year. This was likely due to the large disbursements made under the foreign aid program. Exports in 1949 were valued at approximately $12 billion, which represents a decline of five per cent from the 1948 figure, while imports were valued at $6·6 billion, a decrease of seven per cent.

A substantial rise in exports and a slight drop in imports occurred during the first half of the year. In July, however, exports began to decline and imports started to rise, continuing their advance throughout the year, with a substantial increase in October and November. In December, the value of imports was 11 per cent above the monthly average of $547 million dollars for the first eleven months of the year. It may be assumed that devaluation contributed to this increase in imports, though it is not possible as yet to indicate the extent of its effect.

Price movement during 1949 followed the general trend of the economic picture. The general but moderate decline in prices during the first half of the year was followed by relative stability in the second half. The tapering off of the postwar inflationary period did not bring with it a sudden drop in prices.

Wholesale prices declined 6·9 per cent by the end of 1949 from their level of a year ago, the largest drops occurring in wholesale farm and food prices, while industrial prices fell least. Wholesale prices of farm products fell about 12 per cent during 1949, the decrease in prices being rendered more severe by the large crop production. Wholesale food prices declined 8·5 per cent during the year.

Index of Wholesale Commodity Prices

	Monthly Average 1949	1948
All products	154.9	165.1
Farm products	165.5	188.3
Foods	161.4	179.1
Textiles	140.5	149.8
Fuel	131.6	134.2
Metals	170.0	163.6
Building materials	193.4	199.1
Chemicals	118.8	135.7
Miscellaneous	112.4	120.5

Consumer prices, on the other hand, were fairly firm during most of 1949, and the decline which began late in 1948 continued until February. It then remained fairly constant throughout the remainder of the year.

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In November, the consumer price index was less than 2 per cent below the level of December, 1948, and only about 3 per cent below the post-war peak.

Consumer income and expenditures for 1949 as a whole were about on the same levels as 1948, income in both years being about $212 billion and expenditures about $179 billion. Since income taxes were lower, the income of consumers increased slightly, but the trend of disposable income in 1949 was downward in every quarter, showing a reversal of the 1948 trend, when disposable income rose in every quarter.

Personal savings declined from the high of 8·4 per cent of disposable income in the first quarter to 6·9 per cent in the fourth quarter. This drop resulted from the decline in income.

Consumer expenditures remained fairly stable throughout 1949, although there was a noticeable change in their composition, with an increased proportion going to services and durable goods. Moderate drops in the prices of foods and apparel helped to sustain volume in non-durable lines.

Department store sales in 1949 were about 5 per cent below the value in 1948, although the volume was probably maintained through price reductions, promotions, and sales of lower-priced merchandise.

Heavy purchases of durable goods in 1949 were due largely to the availability of automobiles, and automobile instalment buying expanded rapidly in March, while other instalment buying also increased.

Government Receipts Show Decline

The 1948 tax reduction and the 1949 decline in business resulted in lower cash receipts by the government, which had a deficit of $3 billion in 1949, compared with a surplus of $7 billion in 1948. Estimates of federal cash receipts for 1949 were $41·4 billion, compared with $44·9 billion for 1948.

While federal cash payments were estimated at $43·1 billion for 1949, compared with $36·9 billion in the previous year, or an increase of $6·2 billion, about one-half of the increase in expenditures can be attributed to the recession in business. This necessitated an increase of about $1 billion in unemployment compensation and caused a sharp rise in the volume of farm price support loans, which were not retained by producers and were taken over by the Commodity Credit Corporation. These latter payments amounted to nearly $2 billion. The remaining $3 billion increase in payments is accounted for by the increased needs of defence and foreign aid.

Employment levels for 1949 did not reach the heights attained in the previous year, nor did they reach the goal set at the start of 1949. Average civilian employment in 1948 was 59·4 million, and in 1949, 58·7 million.

The steady decline in employment, which began late in 1948, seemed to halt by March, due mainly to the seasonal increase in agricultural employment. With the exception of periods during the steel and coal strikes, the trend in non-agricultural employment has been upward, and by the end of the year it was 2·1 million higher than in May.

For the whole of 1949 there was an average of 3·4 million persons unemployed, or 5 per cent of the labour force, compared with an average in 1948 of 2·1 million, or 3 per cent of the labour force.

Foreign Aid Program Extended

The United States Department of Commerce reports that foreign grants and credit programs of the United States Government provided

$6·3 billion in assistance abroad in 1949, exceeding any prior postwar fiscal year. The European Recovery Program was the primary vehicle of assistance used to further the economic development and recovery of foreign countries. Participating countries received 80 per cent of the total aid in the fiscal year 1949, compared with 77 per cent of the total aid rendered in the previous year. The remaining outlays of the United States Government for foreign aid were in the form of relief supplies and military assistance for China, military assistance to Greece and Turkey, rehabilitation of the Philippines, loans under the Export-Import Bank, and grants to international relief programs.

Congress has appropriated nearly $6 billion for foreign aid programs in the 1950 fiscal year. These funds were provided for the continuation of foreign aid programs already in effect, and for one new program for military assistance, principally to the nations which signed the North Atlantic Treaty.

Export Licence Procedure for Western Germany Outlined

Frankfurt am Main.—(FTS)—Procedure for granting export licences for goods owned by an applicant under pre-capitulation contracts has been set forth by the Joint Export-Import Agency (in liquidation) for the United Kingdom, United States and French zones of Occupied Germany, including the United Kingdom, United States and French sectors of Berlin.

The persons eligible to file applications and the classes of goods affected are:

(*a*) Except for goods restricted under Military Government law, United Nations nationals or assignees or successors-in-law may file applications for the export of goods of the following classes:

(1) Goods manufactured in Germany for United Nations nationals and still in existence to which title has passed under German law, prior to May 8, 1945, to the United Nations nationals under the provisions of contracts entered into prior to May 8, 1945.

(2) Goods still in existence, owned by United Nations nationals which were shipped into Germany under customs bond for processing or repair.

(*b*) Except for goods restricted under Military Government law, any person of any nation may file applications for the export of goods still in existence which were in transit through Germany prior to May 8, 1945.

(*c*) Effective January 12, 1950, any person of any nation or his assignees or his successors-in-law, except United Nations nationals, may file applications on or before July 12, 1950, for the export of goods of the following classes (except goods restricted by law of the Allied Occupation Authorities):

(1) Goods manufactured in Germany and still in existence to which title has passed to such person under German law prior to May 8, 1945, under the provisions of contracts entered into prior to May 8, 1945.

(2) Goods still in existence owned by such person which were shipped into Germany under customs bond for processing or repair.

(Editor's Note—Further information is available from the Area Trade Officer, Foreign Trade Service, Department of Trade and Commerce, Ottawa.)

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Norwegian Economy Strengthened Slightly During the Past Year

Early estimates of agricultural output over-optimistic, while too modest in respect to industrial production—Labour stability and ERP aid were two main factors contributing to improvement—Merchant fleet provided important share of foreign exchange—Tonnage now exceeds that before war.

By S. G. MacDonald, Commercial Secretary for Canada

(Editor's Note—This is the first in a series of articles on economic conditions in Norway during 1949, prepared for *Foreign Trade*. One krone equalled $0.2015 Canadian prior to September 17, 1949, and presently equals $0.1540 Canadian.)

OSLO, January 24, 1950.—Estimates made at the end of 1948 concerning economic conditions in the following year have proved to be over-optimistic, in so far as some phases of agricultural production is concerned, and too modest with respect to industrial production, particularly in the chemical and electro-chemical industries which have shown a production increase of about 25 per cent in 1949 as compared with the previous year. An overall end-of-the-year survey, based on preliminary statistics, will indicate that the Norwegian economy during 1949 was strengthened slightly as compared with the previous year. Much of the credit for this betterment has been due to the two important factors of labour stability and aid received under the European Recovery Program.

In the labour field the country has continued to enjoy "full employment", there being, as of August 1, 1949, but 3,140 totally unemployed, from which figure there has been but small variation in the periods both prior and subsequent thereto during the year. In a number of lines of endeavour, particularly in agriculture, forestry and certain branches of industry, the demand for labour has continued to exceed the supply.

In the field of agriculture the production of meat, grain and peas is lower than estimated at the opening of the year, while the potato crop totalled 1·1 million tons as compared with 1·5 million tons in 1948. Milk production appears to have been greater than anticipated, and, as a result, rationing generally has been eased. The Norwegian fisheries were retarded in their operations in 1949, due to unfavourable weather, resulting in a smaller total catch than anticipated, and a lesser quantity than during 1948. During the first nine months of 1949 the catch of codfish totalled 130,000 tons, and of winter herring 610,000 tons, as compared with 150,000 tons and 881,000 tons respectively for the same period in 1948.

Merchant Fleet Provided Important Share of Foreign Exchange

As customary in Norwegian economy, the merchant fleet provided an important share of foreign currency. A total of 925 million kroner in foreign currency was obtained on gross freights during the first three-quarters of the year, an increase of 34 million kroner as compared with the same period in 1948. It is estimated that, by the turn of the year, these freight returns should total approximately 1,125 million kroner, an increase of about 50 million kroner over the previous year. Net freights in the first nine months increased from 440 million to 447 million kroner, which was 5·5 per cent lower than estimated.

Norway—Factories of the A/S Nordisk Aluminiumindustri at Holmestrand, a town on the Oslofjord. Here is located the only aluminum rolling mill in Norway, with a production capacity of 6,000 tons.

During the third quarter of the year, 22 new ships valued at 182 million kroner were delivered to the Norwegian merchant marine. These new deliveries continued at about the same rate in the fourth quarter, resulting in an overall total of 5·2 million tons of shipping at the turn of the year, which exceeds, by a few thousand tons, the overall total of Norwegian shipping tonnage at the outbreak of World War II. In consequence, while the ship building program is continuing with the object of obtaining an overall tonnage of approximately 7·5 million tons in 1953, freight returns commensurate with this new building are expected to increase. In the succeeding years, when aid under ERP will progressively be reduced until its cessation in 1952, these increased freight returns will do much towards balancing the Norwegian payments position and stabilizing the economy of the country.

During the first nine months of the year, 9,574 residential units were constructed, which was about 100 less than in the same period in the previous year. Other building operations totalled 459,000 square metres of floor space as compared with 372,000 square metres during the same period in 1948, the increase being particularly noticeable with respect to agricultural building operations. As of September 30 there were approximately 20,000 buildings under erection as compared with 15,000 in the same period in 1948.

Trade with European Countries Increased

By virtue of the various bilateral trade agreements entered into by Norway covering the year 1949, a definite increase in trade with European countries, both import and export, took place during the year, but reductions generally were in effect in so far as dollar areas were concerned. In this latter regard Marshall Aid has played an important role, resulting in the majority of Norwegian imports from the United States, and to some extent from Canada, being financed with ERP dollars. Up to September 30, 1949, $129·7 million had been assigned to Norway as direct aid by O.E.E.C., which is expected to be reduced to $90 million in the

year 1949-50. During the third quarter of 1949 buying permits totalling $27·4 million were granted, and in the year 1948-49 Norway received drawing rights against Marshall countries to an amount of $47·4 million, granting in turn to such countries drawing rights for four million dollars. It is estimated that in 1949-50 these totals will be $76·8 million and $5 million respectively. Overall imports into Norway during 1949 are estimated at approximately 3,000 million kroner, an advance of 20 per cent from the previous year's total.

During 1949 there was an increase in the imports of such goods as textiles and clothing, ores, metals and machinery. Imports of ships during this period amounted to 563 million kroner as compared with 392 million kroner in the previous year. Altogether, the increase in imports from the O.E.E.C. countries amounted to approximately 36 per cent. Exports to the United States were lower than in the corresponding period of 1948, due to devaluation rumours prior to actual devaluation on September 19 last and price reductions, while the exports to European countries exceeded those of the previous year. Following devaluation, exports to the United States tended to increase in both quantity and value. This tendency was also present in so far as European markets are concerned at the turn of the year, following the bringing into operation of the so-called "free lists" applicable to O.E.E.C. countries.

According to the Norwegian Central Bureau of Statistics the production figures for the first nine months of the year on the whole correspond to those planned at the beginning of 1949, which figures show a considerable increase over those for the previous year.

Industrial Production Increased

With regard to industrial production, that for wood-pulp and paper increased about 5 per cent as compared with the same nine months period in 1948, and the production of cement advanced some 50,000 tons to a total of 575,000 tons. A reduction in output of the canning factories is anticipated when final figures are issued, due to a shortage of raw materials, arising largely from the reduced fishing catch. Electric power production during the first three-quarters of the year showed an important advance to 10,911 million kwh., as compared with 8,796 million kwh. during the same period of 1948. The production of ferro-alloys plants is expected to reach 165,000 tons in the first three-quarters of the year, as compared with 139,000 tons in the corresponding period of 1948. Increases are also anticipated in both nickel and sulphur production as compared with the previous year. Altogether, domestic industries show a production increase of 1 per cent, while export industries advanced more than 17 per cent as compared with the same period of 1948.

Canadian Coke Production Decreased Last Year

Canadian production of coke from ovens and gas retorts during 1949 decreased two per cent from the preceding year, amounting to 3,867,000 tons as compared with 3,945,000. In December, 320,000 tons were produced as against 296,000 in November and 349,000 a year earlier.

Exports in the calendar year 1949 showed a sharp rise of 84 per cent, totalling 273,000 tons compared with 167,000 in 1948. In December, exports amounted to 34,000 tons against 28,000 in the same month of 1948. During the year, imports aggregated 445,000 tons, down 21 per cent from the 1948 total of 562,000 tons, while in December 33,000 tons were imported as compared with 36,000 a year ago.

Satisfactory Economic Progress Recorded by Ireland Last Year

World demand for food products ensures markets for expanding production—Availability of agricultural materials has resulted in remarkable increase of exportable food surplus—Development of industries continued—Balance of trade improved—Trade with Canada slightly higher.

By H. L. E. Priestman, Commercial Secretary for Canada

(Editor's Note—This is the first of two articles on economic conditions in the Republic of Ireland during 1949.)

DUBLIN, February 6, 1950.—Ireland looks back on a year's satisfactory progress during 1949. The world demand for food products, which are her principal output, has ensured advantageous markets for her rapidly expanding production, and the availability of seeds, fertilizers, feed and agricultural machinery in reasonable quantities has enabled her to increase her exportable food surplus at a remarkable rate.

Peaceful world conditions have enabled her to continue the development of her industries, most of which were only newly established when their growth was interrupted by the outbreak of hostilities in 1939. The scarcity of dollars now restricts the pace of development, since purchases of raw material and equipment from the dollar area must be kept within the limits of resources provided by the Economic Co-operation Administration and the Republic's own meagre dollar earnings. Ambitious schemes are in hand for the development of the country's natural resources, and town and country alike present an encouraging view of houses and factories in course of construction, agricultural land being drained and improved, peat resources being exploited, and electricity spreading its light-giving machinery across the landscape.

The devaluation of sterling in September came as a serious, though not unexpected, blow to this country. Since the Republic exports chiefly to the United Kingdom, and her direct sales to the dollar area are very slight, she derived little advantage from the possible improvement in the American market for goods from the sterling area, while faced with a disconcerting increase in the sterling cost of her projected outlay on essential goods from the dollar area. The development of the tourist industry provides the best hope of increasing dollar earnings. It was announced in December that Ireland was to receive, for the first time, an ECA grant in 1950. Heretofore, all ERP Aid has been by way of interest-bearing loans, repayable in dollars.

Apart from the declaration of a republic in April, there have been no major developments in the political field, and the present inter-party government, now almost two years in office, does not appear likely to face any serious challenge in the immediate future. The Republic has taken an active part at OEEC conferences throughout the year, and has taken every opportunity of being present and of putting forward the Irish viewpoint at other international gatherings.

Balance of Trade Improved Last Year

Until the end of 1948, the adverse visible balance of trade steadily increased, but in 1949 this tendency was at last corrected. Exports have increased rapidly, while there has been a decided fall in imports.

The Minister for Finance, speaking at a public meeting in October, stated that only the devaluation of the pound sterling had postponed until 1951 the day when Ireland would have closed the gap in her balance of payments. He confidently predicted that this stage would be reached by mid-1951. In 1949, imports, at £129,783,300, were £6,532,584 less than in 1948. Exports rose by £11,095,330, from £47,851,019 in 1948 to £58,946,349 in 1949. The total excess of imports over exports, which was £88,464,865 in 1948, has thus been reduced by approximately 20 per cent to £70,836,951 in 1949. Since exports consist very largely of livestock and livestock products, which, given the favourable conditions at present obtaining, can be increased at an accelerating rate, an optimistic outlook on the export prospects has some justification.

The most marked increase in exports during 1949 is to Great Britain, which purchased approximately 35 per cent or more than £10·5 million worth more than in 1948, while imports from the United Kingdom increased by less than half a million. Both imports and exports from Canada are very slightly higher than in 1948. Exports to the United States have risen slightly, while imports have risen by more than 50 per cent. The efforts being made to develop trade with OEEC and other sterling-area countries have, however, borne fruit in the increased exports to Denmark, Germany, India, Spain, and Sweden. The following table gives comparative figures of import-export trade with a number of countries for the years 1948 and 1949:

Trade of Ireland, by Main Countries

	Imports		Exports	
	1948	1949	1948	1949
Great Britain	£71,234,963	£71,732,136	£34,892,053	£45,466,016
Northern Ireland	2,163,709	2,321,090	7,432,378	8,213,742
United States	11,386,902	18,543,967	363,773	452,160
India	4,636,011	3,140,692	7,181	24,727
CANADA	2,859,206	2,958,790	46,798	50,343
South Africa	1,049,768	869,788	48,416	59,024
Australia	5,337,814	694,754	40,279	57,899
Pakistan	79,540	507,977	11,477	5,890
Argentina	9,208,407	502,382	32,643	8,974
Netherlands	2,152,576	3,147,927	1,720,722	1,400,988
Sweden	2,379,722	2,700,075	153,060	277,242
France	1,130,380	1,809,201	207,653	205,337
Denmark	301,242	455,714	30,865	64,701
Germany	171,362	474,766	74,984	396,405
Spain	942,668	737,455	171,800	236,748
Belgium	2,558,498	2,019,577	1,405,674	1,202,529

The endeavours to establish bilateral balance of payments positions are reflected not only in the increased sales to established customers, but also in the appearance on the Irish export list of several countries (such as Algeria, Arabia, the Canary Islands, Chile, Morocco), which in the past have been selling goods to this country but have not hitherto been purchasers of Irish products.

Trade agreements were concluded or renewed during the year with France, Western Germany, the Netherlands, and Sweden. Due to the necessity of diverting purchases from the dollar area, constant efforts are made to obtain raw materials and equipment, formerly purchased in Canada or the United States, from European countries or countries within the sterling area. An attempt is also made to achieve a balance of payments position with individual countries whenever possible.

The fall in imports has been effected chiefly in the food, drink, and tobacco groups, where the total reduction amounts to almost £8 million. Fish imports, which were valued at £578,515 in 1949, are one of the few

food items which show an advance on the 1948 figure, which was £237,896. Increased home production permitted a reduction in imports of cereals and feeding-stuffs from £17,559,263 to £10,269,414. The total under the heading of "miscellaneous articles of food", which includes cocoa, coffee, tea, molasses, sugar, sweets, toffee and biscuits, has fallen by approximately £2·5 million to £7,523,229. Tobacco imports have risen, but imports of drink have fallen from £1,145,919 to £776,743. The total for the food, drink, and tobacco class was £35,861,482 in 1948, and in 1949 it had been reduced to £28,043,783.

Imports classed as "other raw materials and manufactured goods" cost a total of £95,773,935 in 1949, which shows an increase of approximately £1·5 million on the figure for the previous year. Some change is noticeable in distribution. Iron and steel and manufactures have risen slightly, from £6,234,416 to £6,742,978, while machinery, electrical goods and apparatus fell from £12,059,570 to £11,674,742, and vehicles (which include automobiles, locomotives, ships, aeroplanes and parts) were reduced from £11,196,270 to £9,903,908. Wood and timber and manufactures rose from £3,443,463 to £4,402,289, and textiles from £15,475,858 to £17,527,287. Consequent to this last item was the fall in imports of apparel from £5,963,623 to £3,956,098. Fertilizers, which are Ireland's most essential raw material, cost £2,310,185, compared with £1,710,678 in 1948. There is no doubt that supplies of the various types of fertilizer have been used to good effect, as can be seen from the greatly increased output of cereals, feeding-stuffs, etc.

Exports of Livestock and Agricultural Products Increased

The domestic exports of livestock and agricultural products show very encouraging increases, but under the heading of "other raw materials and manufactured goods" there is a drop of approximately £1,000,000 to £7,791,846. Parcel post exports have risen significantly from £530,274 to £2,032,809, and chiefly represent gifts of jam, tinned fruit (probably imported), confectionery, etc., despatched to friends in Britain. Some of the restrictions on such exports have now been reimposed, following on allegations that facilities were being abused, and that many of the packages were not "unsolicited gifts" but were being paid for at exorbitant rates.

Domestic Exports from Ireland

	1948	1949	1948	1949
	Number			
Live cattle	372,292	468,051	£15,055,460	£20,445,963
Horses	37,468	30,938	6,013,140	5,485,361
Greyhounds	8,801	7,358	868,888	670,679
	Cwt.			
Beef and veal, fresh	13,835	19,930	97,299	144,969
Coarse meat of cattle and sheep	9,389	8,366	15,467	21,114
Bacon and hams	6	32,724	102	371,286
Other pig products	5,642	27,532	31,710	195,700
Bladders, casings and sausage skins	5,907	10,127	45,808	75,707
Beef, tinned	85,642	148,229	659,206	1,139,349
Milk, dried	21,204	28,865	192,233	265,521
Milk, condensed	172,766	243,793	818,116	1,098,228
Cheese	19,203	25,782	191,382	246,091
Poultry, dead	203,467	238,509	3,309,208	3,525,836
	Great hundreds			
Eggs, in shell	2,168,959	3,379,828	3,593,915	5,229,863

Live cattle invariably head the list of Irish exports, and for 1949 this item realized £20,445,963, an advance on the 1948 figure of £15,055,460, which appears to have fulfilled expectations. The total

for live animals rose from £22,265,832 in 1948 to £27,101,799 in 1949, while the export figure for foodstuffs of animal origin rose from £9,959,176 to £13,364,875. Bacon, formerly an important Irish export, has reappeared on the list, eggs and poultry figures continue their rapid ascent, and such items as dried milk and cheese, which are comparatively new industries, show good results.

Imports of Live Animals into Ireland

	Number			
Cattle	523	574	£ 86,634	£ 81,363
Horses	2,976	2,834	3,057,570	3,442,613
Other live animals	....	....	190,880	161,317

The very high figure for horses being imported and exported is probably explained by the fact that a great number of very valuable animals travel between this country and Britain—and, to a lesser extent, Europe—for breeding purposes, for racing, or for fox hunting.

According to the latest figures available, the total amount allocated to the Republic of Ireland through ECA authorizations is approximately $111,038,000. This amount is entirely in the form of loans, interest-bearing and repayable in United States dollars. Since the devaluation of sterling, the ultimate problem of repaying the dollar loans has increased in magnitude. At the end of 1949, it was announced that the ECA authorities intended to make Ireland the recipient of a grant of $3,000,000 in 1950. This has given grounds for hope that further assistance by way of grants will be made to Ireland from ECA funds during the next two years.

Visible Dollar Earnings Slightly Higher

Ireland's visible dollar earnings in 1949 showed some increase on the figure for 1948, though the invisible dollar earnings through tourist traffic have probably increased. Apart from tourism and emigrants' remittances, Ireland has practically no method of earning dollars. She has embarked on ambitious schemes of national development in the field of electrification, land reclamation, exploitation of peat resources, re-afforestation, scientific research, etc., all calling directly or indirectly for some dollar outlay. All of these may be regarded as sound long-term investments, well calculated to increase the productivity of the country. In the meantime, however, the capital outlay, for a small country like Ireland, is very heavy.

Effective Use Made of ECA Funds

ECA officials have been complimentary about the effective use made in Ireland of Marshall Aid funds, and the head of the ECA Mission here, has expressed agreement with the prophecy of the Minister for Finance that Ireland would balance her overall income and outgoings by the end of the Marshall Aid period. The prospect of balancing her trade with the dollar area, however, must be regarded as extremely distant. Should sterling remain inconvertible, it is clear that Ireland must permanently scale down her purchases from North America and transfer still more of her buying to the sterling area and other European countries which are buyers of her goods. Few Irish products are suitable for the North American market. Great Britain purchases approximately 90 per cent of all Irish exports, and the government is untiring in its efforts to expand other European markets and to open up new fields.

Fishing Industry of South Africa Has Recorded Steady Progress

Catch in 1948 amounted to some 250,000,000 pounds, valued at over $13,570,000, compared with approximately 11,000,000 pounds, valued at around $169,400 at turn of century—Growth particularly marked in past decade, due to demand for war provisioning.

By C. Blair Birkett, Commercial Secretary for Canada

(Conversions made at rate of $3.08 to the pound)

CAPE TOWN, South Africa.—Steady progress has been recorded by the fishing industry of this country during the last fifty years, the catch in 1948 amounting to some 250,000,000 pounds, valued at over £4,402,000 ($13,570,000), compared with approximately 11,000,000 pounds, valued at around £55,000 ($169,400), at the turn of the century. The growth was particularly marked during the last ten years, when production was stimulated by the demand for canned fish, meal and oil for war provisioning.

To introduce some order into the rapidly expanding operations of the growing number of fishing and processing companies, a quasi-government body, known as the Fisheries Development Corporation of South Africa, Limited, was formed in 1944. This organization has already done valuable work in directing the industry towards greater efficiency and higher profits, in research, in the improvement of harbours, in the housing and training of fishermen, etc. The Minister of Economic Affairs appoints the directors of the corporation and Parliament must approve investments of funds.

According to Dr. Skaife, Chairman of the Corporation, the catch fifty years ago was made by some 1,800 fishermen, manning 360 small boats and using single lines or surface nets. The industry now employs 40 trawlers, 713 motor vessels and 1,532 sailing and rowing boats. It is estimated that there are now over 6,000 fishermen engaged, and that approximately 50,000 people depend on the industry for their livelihood. Thus, it can be said that the growth of South Africa's fishing industry has been remarkable, particularly in recent years. It is only in the past five years that the catch of pilchards and maasbankers has increased from a negligible figure to 150,000,000 pounds per annum.

Another indication of the industry's growth is given by the increase in the market value of the shares of fishing interests, which rose from £3,430,000 ($10,580,000) in 1944 to £10,500,000 ($32,350,000) in 1948.

Fishing Grounds Mainly Located on West Coast

The fishing grounds of the Union, estimated to cover 150,000 square miles, are mainly located on the West Coast, extending from Cape Town to a point about 750 miles north. The waters of this length of coast abound in pilchards, stockfish, snoek, maasbankers, haarder and crawfish. Along the south and east coasts, as far as Port Elizabeth, fish, including sole, are found in plenty. A limited trawling area is worked opposite East London, but nothing of any great account is caught further north, except the deep-sea crawfish on beds 250 fathoms deep, which are seldom fished at present.

The following table furnished by the Fisheries Development Corporation gives the approximate quantities and values of the catch of the various types of fish in South African waters during 1948:

South African Catch of Fish, 1948

Fish	Weight (1,000 lbs.)	Value Processed (£'000)	($'000)
Pilchard	100,000	1,000	3,080.0
Stockfish	70,000	1,000	3,080.0
Crawfish	25,000	750	2,310.0
Snoek	20,000	500	1,540.0
Sharks	6,000	500	1,532.0
Red Fish	6,000	45	138.6
Soles	4,000	150	462.0
Kabeljou	4,000	140	300.0
Geelbek	3,000	70	200.0
Kingklip	2,500	55	160.8
Silverfish	2,000	55	160.8
Haarder	2,000	37	100.3
Other fish	6,000	100	300.4
Total	250,000	4,402	13,364.9

Of first importance are pilchards, fish that up until the war were caught only in small quantities to be used for bait. Today they are the main source of meal and oil urgently required by the Union. A dozen or more conversion plants, that can process some 200,000 tons per year, are in existence. In addition, a number of canning plants handle about 5,000,000 pounds per year. According to South African scientists, the local pilchard is similar to the Californian pilchard.

Along with pilchards, stockfish (of the hake family) are largely responsible for the rapid development of the oil and meal division during recent years. As late as 1932, the annual catch of stockfish totalled only 10,000,000 pounds. These varieties are also a main source of vitamin oil, no less than 1,835,627 pounds of livers being processed in 1947. Based on average oil content of the liver of thirty per cent, the yield would be about 550,688 pounds of oil, or approximately 59,000 gallons, as compared with about 43,000 gallons of oil taken from sharks' livers annually. Later statistics, if available, would show appreciable increases over these figures.

Crawfish are highly regarded both in the domestic and export markets. For export, only the tails are processed and, frozen or canned, command considerable attention abroad. By law the quantity of tails exported is limited to 6,000,000 pounds per year. The crawfish compares very favourably in texture and taste with the lobster. In recent years, it has been imported in the frozen state by the United States in increasing quantities. The catching and packing of crawfish is under strict supervision to ensure continuing supplies and quality.

Other fish are of lesser importance in the general picture of South Africa's industry, except the maasbanker, which is usually grouped with the pilchard as an important source of meal and oil.

Experiments carried out during the past two years have proved sufficiently encouraging to justify the establishment of a company to commence oyster culture on a modest scale. Information gained from Canada, the United States and Europe on the subject is proving very helpful to the authorities.

Output of Fish Products Greatly Increased

The most remarkable growth has taken place in the fish products section of the industry. This includes the canning of fish, the freezing of crawfish, the reduction of fish to oil and meal, and the extraction

South Africa—Table Mountain, as seen from Blaauwberg Beach, seven miles from Cape Town.
Photo courtesy Cape Peninsula Publicity Association.

of vitamin A concentrates from liver oils. Up-to-date methods and equipment are in use in all processing operations. Altogether, the present yearly value of the finished products from pilchards and maasbankers, including canned fish, oil and meal is estimated at about £2,000,000 ($6,160,000), the extraction of vitamin concentrates and fish oils during 1948 reached the approximate value of £1,060,000 ($3,225,000). This figure covers concentrate and oil, £850,000 ($2,620,000); processed oils, £90,000 ($277,200); and crude oils, £20,000 ($61,600).

Three fish are the main sources of vitamin concentrate, the soupfin shark, which yields from 20,000 to 40,000 International units per gram; the stockfish, which yields from 10,000 to 20,000 units, and the snoek, whose liver oil gives up between 20,000 and 40,000 units when fortified by other oils.

Body oils and industrial oils come largely from maasbanker and pilchard. The production of fish body oils in 1949 made a great advance over the 1948 figure, reaching in all about 7,000 short tons. During 1950 it is expected that the 10,000-ton mark will be reached.

Such improvement cannot be reported for vitamin oil. During 1949 this relatively new industry suffered a serious set-back, mainly owing to the cancellation of the contract with the British Ministry of Food, which up until July of last year has been purchasing practically all the Union's production of vitamin oil, including the concentrate, since early 1948. The consequent drop in prices has brought operations to a standstill. Production in 1949 is estimated at ten billion international units. The 1950 figure is forecast at something considerably lower.

Production of Fish Meal Important

The production of fish meal from pilchards and maasbankers today is probably one of the most important branches of the industry. Its

growth during the past five years has been phenomenal. Some people have expressed the fear that it has reached a point of overproduction and is a danger to fishing beds.

At present twelve plants are turning out roughly 25,000 tons of meal per year. By mid-1950 this production is expected to increase to 50,000 tons by the completion of ten more plants. By the end of 1950, the plant capacity is forecast at 55,000 tons. Allowance must be made for possible diminution of the catch and/or other unforseeable factors.

It is expected that the local demand for meal, which at present is greater than the supply, soon will be met and that a surplus will be made available for export. According to one source, local demand is in the neighbourhood of 30,000 tons a year. The capacity of 55,000 tons per year to be reached next December, therefore, will leave about 25,000 tons for export. This estimate may be appreciably high, however, as the value of fish meal as a constituent in rations for cattle, pigs and poultry is being recognized more and more in this country.

Fish canning has also made considerable headway in recent years. Production, other than of crawfish, prior to 1939 was largely on the basis of token output and experimental packing, the highest prewar output in any twelve-month period being approximately 400,000 pounds. There are about 18 companies engaged in canning fish of one sort or another.

Following the imposition of import restrictions on canned sardines and salmon early in the war, production started to climb and by 1944 reached 8·5 million pounds (crawfish not included). During the ensuing five years, packing went steadily ahead and in each year a new record was registered. In 1949, a figure of some twenty-four million pounds was achieved, which included approximately sixteen million pounds of pilchards, 2·5 million pounds each of snoek and maasbanker, two million pounds of mackerel and a little more than one million pounds of miscellaneous fish. Approximately forty per cent of all output is consumed in South Africa and the balance is exported, mainly to the United Kingdom, and the Middle and Far East.

Canning of Crawfish Controlled

The canning of crawfish, a most important division of the industry, has a longer history than the canning of other fish, dating as it does to the early days of the century. Operations today are closely controlled to prevent undue depletion of the beds. Exports are limited and, since the industry is essentially an export one, to limit exports is to limit production.

The earliest records available show that immediately prior to 1939 and since, the output of canned crawfish has been fairly steady around 5,000,000 to 6,000,000 pounds per year, though it has been as low as 3·5 million pounds. Approximately fifteen per cent of production is consumed locally, the balance being sold to the United Kingdom. Lately interest has been shown in this product by other European countries, and the Near and Far East.

Frozen crawfish tails is another branch of the industry that has made remarkable progress. The product is sold almost exclusively in the United States market where it commands a very good price. During 1949 the value of sales abroad was approximately $2,500,000. As with the canning of crawfish, the tail industry is strictly controlled as to quality and supplies.

The exploitation of South Africa's seaweed resources has commenced. Already agar-agar is manufactured from local seaweed in sufficient quantities to meet the needs of this country, with a surplus for export.

Production is valued at between £50,000 and £60,000 ($154,000 and $184,800). Encouraged by developments abroad in the extraction of alginic acid and other important products contained in seaweed, the authorities fully believe that the treatment of South African seaweed may develop into an important industry.

Many Fishing Grounds Not Yet Developed

Investigations over a period of years by the Development Corporation has established the firm belief that, while the fishing industry of South Africa is making rapid and sound progress, there are still great fishing grounds about the coasts of the Union that have been scarcely touched, and are capable of great exploitation. There is no evidence yet to show that there has been any over-fishing of the grounds at present being worked. Hampered by a dearth of statistical record as to the habits, whereabouts and catches of fish, the authorities have many difficult problems before them in their endeavours to place the industry on a scientific basis. Prominent among these problems are the creation of reliable records, the training of fishermen, the more efficient use of fish offal, which today is mostly thrown away, and the lack of fresh water along the west coast, which prevents large-scale developments of fish processing plants close to the main source of supply.

Steady progress, however, is being made and it is fully expected that before many years the industry will have assumed a much greater importance in the ecenomy of the Union than it does today.

In normal times, the market for imported fish in the Union is limited to canned sardines, salmon, herring and pilchards. Since March, 1949, under the import control regulations, all fish and fish products have been prohibited.

South Africa Has New Fisheries Research Ship

February 23, 1950.—(FTS)—South Africa has a new fisheries research ship, the *Africana II,* which has just arrived here from the Clyde. This vessel, which cost £170,000, is manned by the former crew of the *Africana I,* which is now up for sale.

Dr. C. von Bonde, Director of Fisheries, said yesterday that the *Africana II* would first be used on a two-year program of pilchard research on the West Coast between Cape Town and Lambert's Bay.

The program included a study of fish migration, breeding seasons and sea hydrology, from which it was hoped to learn much more about the pilchard, a fish that in recent years had taken an important place in the South African fishing industry.

The *Africana II* is equipped with the latest type of laboratory. It has three devices for depth sounding, radar and direction-finding apparatus, and a radio telephone.

Her full complement was 31 officers and men and four scientists, said Dr. von Bonde. Capable of 14 knots, *Africana II* has a range of 6,000 miles and could stay at sea 26 days.

Canadian Wood-turning Industry Products Increased in Value

Gross value of products manufactured by establishments engaged wholly or principally in the production of handles, dowels, spools, bobbins, shuttles and other articles turned from wood amounted to $6,892,000 in 1948 as compared with $6,414,000 in 1947, an increase of 7·4 per cent.

New Zealand Spending Much More Abroad Than Overseas Earnings

According to the Hon. S. G. Holland, Prime Minister, in a review of the present economic position—Government is spending much more than it is raising by taxation—Subsidies have become a substantial item in the load on taxation.

WELLINGTON, February 2, 1950.—New Zealand is spending overseas much more than she is earning overseas, in the opinion of the Hon. S. G. Holland, Prime Minister, in reviewing the present economic position of this country. The government is spending very much more than it is raising from the people by taxation and borrowing combined. Furthermore, if New Zealand continued to inflate its currency and credit in the next three years to anything like the extent to which it had been inflated during the last three years, the country would be in serious difficulties.

Continuing his report to the people, the Prime Minister said: "With record prices being received for our exports, with production at a very high level, and with everyone employed, we should have our finances in a state of great buoyancy, and we should be building up substantial reserves for a rainy day. We are doing neither. Inflation is in top gear, and our overseas balance of payments position is unsatisfactory. Nevertheless, I want to give this positive and unqualified assurance: Although the financial position is serious, there is no need for undue alarm.

"Inflation is considered as an insidious method of taxing the people by increasing the cost of living and of reducing the purchasing power of the people's earnings and savings, which hits the working people harder than any. Inflation within New Zealand is not only causing chronic shortages of labour and materials and generally distorting the economy internally, but is causing serious difficulties in the overseas balance of payments. There has been very considerable inflation in the past three years, and, at a time when we are enjoying record prices for our exports, the income from these is insufficient to keep abreast of our payments overseas."

Pumping additional credit or paper money into circulation at the present rate, according to the Hon. Mr. Holland, is a matter that vitally concerns everybody, for it is a major cause of the steady reduction in the purchasing power of the people's earnings and savings. It means increasing the money supply without increasing the supply of goods and services available for purchase. There have been several general wage and social security increases, but the people now realize that each wage increase only pushes costs and prices still higher, with the result that the people are really no better off.

"It will be appreciated that the unsatisfactory financial position to which I call public attention cannot be rectified immediately, as works are in progress and commitments have been entered into as part of the existing program. It is obviously impossible, therefore, that any major improvements can be effected before the end of the present financial year.

Country is Living Far Beyond Its Income

"It will be seen," the Prime Minister continued, "that New Zealand is living, both externally and internally, far beyond its income, and is meeting the internal deficiency by the disastrous method of creating Reserve Bank credit and currency without a corresponding production of goods or services.

"The economic balloon has been greatly inflated but has not burst, but would most certainly do so, with disastrous consequences to all the people, if the rate of inflation experienced during the past three years were continued for another three years. The government will certainly not allow that to happen."

The present year's estimates of expenditure from revenue accounts exceed the actual expenditure for 1947-48 by £16,000,000, while loan moneys required for capital works has risen by £14,000,000, which means an increase in annual expenditure since 1947-48 of £30,000,000. The Prime Minister stated that no survey of New Zealand's finances could be made without an examination of the subsidy system. While he would deal with that question in some detail on another occasion, he wished to draw public notice to the principle of subsidies and to give some indication of what it involves.

"If, say, a manufacturer finds the cost of producing a certain article is 20s, which he has to sell for less than 20s, he will quickly examine his costs of production and then he will set about to improve his methods so as to eliminate his losses and inefficiency.

"If, however, he can make up his losses by, say, a government subsidy, then the urge to efficiency and economy largely disappears. If he can easily recover his losses from someone else's pocket, he has no worries about what his costs are.

"The important thing to remember is that someone has to find the money to pay those subsidies. The government has to tax the people in one way or another, so, in the end, the people pay, although their share may be hidden in sales tax and other forms of indirect taxation.

Subsidies Have Become a Substantial Item in the Load of Taxation

"When the aggregate amount involved reaches anything like £17,000,000, it becomes a substantial item in the load on taxation, and the benefits to the people generally become illusory. What they gain in lower prices they lose in payment of taxes."

Because Britain devalued sterling in terms of dollars, the price of imported wheat increased by 44 per cent. On this basis, the subsidy on imported wheat will go as high as 11s. per bushel. The subsidy on all wheat is expected to rise from approximately £2,250,000 to £4,000,000 per annum for the next financial year. The government, by means of taxes, pays this amount, which is equal to 3d. per two-pound loaf. With the subsidy, bread currently retails at 5½d. a loaf.

The retail price of butter is 1s. 6d. per pound, and is subsidized by the government 10d. per pound. In a year this totals £2,500,000. If butter rationing were dropped and consumption returned to the prewar level, it is estimated that the subsidy the government would have to provide from taxes would be about £3,000,000 a year.

Milk costs 37d. per gallon and is sold to the public at 26½d. per gallon on the average. The government has to find another 10½d. per gallon, which amounts to £2,250,000 in a full year. Subsidies on eggs cost £500,000 a year. Tea subsidies at present are about 1s. 9d. a pound and, on this basis, cost approximately £1,000,000 a year.

The difference between what New Zealand woollen mills bid at the auctions and the stabilized 1945-46 level of prices is found by the government by way of subsidy. On the present basis, it will cost about £1,500,000 for the next financial year. This is a subsidy to the purchaser of woollen goods and not to the woollen mills.

A total of £2,250,000 a year is spent on subsidizing coal. Such a high percentage of mine receipts come from subsidies that the incentive

to keep down costs is much weakened. Railways pay no interest on capital cost and lose £1,700,000, in addition, on operations. These two items total £4,400,000 in a year and are found by subsidy.

"Subsidies have become a major budgetary problem and will have to be reviewed," the Prime Minister said.

The following shows that New Zealand is spending overseas much more than she is earning overseas: in 1948, the actual deficit in overseas balance of payments was £7,413,000; in 1949, actual deficit in overseas balance of payments was £4,550,000; in 1950, estimated on the basis of import licensing program already issued, a deficit of £10,000,000 to £15,000,000,

If prices of imported goods continue to rise because of devaluation or other causes, the deficit might be greater. Accordingly, it would not be possible to expand import licences at the present time, much as the government would like to give relief from these and other irksome restrictions.

At the end of 1946, overseas funds amounted to £83,000,000, but had fallen to approximately £52,000,000 by the end of 1949. Much of this was due to overseas debt repayments. Apart altogether from war debts, a total of ordinary overseas debts of nearly £51,000,000 sterling has been repaid since 1939.

"Paying off debt is, of course, a very good thing, but it would not be sound for, say, a farmer to strain his resources to pay off a mortgage and then find he lacked the means of getting a necessary tractor to develop his farm.

"We need capital imports for development purposes, such as hydro-electricity. Having not only stopped overseas borrowing, but used what funds we did have in paying off overseas debt, we simply cannot now have all the imports we need. It is the simple case over again of 'You can't have your cake and eat it'.

Business Methods and Common Sense Introduced into Administration

"We are introducing into the government's financial administration business methods and plain common sense that is so badly needed today."

According to the Hon. Mr. Holland, it is the present government's intention to repeal the provision whereby the Minister of Finance has statutory power to dictate to the Reserve Bank. In accordance with this policy, the Reserve Bank Act would be so amended as to ensure that the issue of currency and credit will be determined by economic considerations and not by ministerial direction; but there would be a general directive embodied in the Act for the bank to do all that is practicable by monetary means to establish and maintain stability in the internal price level and economic conditions generally. At the same time, the existing powers of ministerial dictation to the Bank of New Zealand will likewise be repealed.

Summing up, the Prime Minister said: "The whole key to the solution of our troubles is production, which is, after all, what establishes our living standards, and not the amount of paper money we can print, or credit we can create." He pointed out that the problems facing the country are the fundamental ones affecting the standard of living of the people generally, but that they can and will be solved.

"The government will provide a sound and vigorous administration and freedom to the people to get on with the job of increasing the supply of goods and services. It can be done and I am confident that all sections of the community, in their own interests, will assist in pulling the country out of its temporary difficulties."

Economic Conditions in Spain at End of Last Year Much Better

Marked improvement follows one of the worst nine-month periods experienced in recent years—Heavy rains put an end to one of the most serious droughts in history—Steel industry showed marked upward trend—Foreign trade increased in value and volume—Trade with Canada decreased.

By International Trade Relations Division

(Editor's Note—This is the last in a series of seven articles on Spain, prepared in advance of the establishment in Madrid of an office of the Canadian Trade Commissioner Service. One paper peseta equals $0.10 Canadian. One metric ton equals 2,204 pounds.)

ECONOMIC conditions in Spain showed a marked improvement in the last quarter of 1949, after one of the worst nine-month periods experienced in recent years. Heavy rains at the end of the year put an end to one of the most serious and persistent droughts in Spanish history and were greeted as a favourable omen of further progress in 1950.

The population increase during 1949, continuing at the same rate as in previous years, raised total figures by another 300,000 to an estimated 28,400,000 inhabitants. The monthly average excess of births over deaths for the first eight months of 1949 was over 24,000.

The basic extractive industries showed increases in output over 1948 figures in the case of certain minerals, such as iron, copper, antimony, fluorspar and tin.

Spanish Mineral Production

(Monthly averages in metric tons)

	Average monthly output 1948	First quarter 1949	Second quarter 1949	Third quarter 1949
Sulphur	1,566	2,650	3,050	3,100
Tin	45,698	58,300	57,680	59,100
Phosphorite	1,918	1,850	2,050	1,930
Manganese	1,545	1,500	1,480	1,360
Potash salts	82,730	70,000	80,800	75,600
Wolfram	67	125	76	47
Antimony	57	76	66	74
Kaolin	2,972	2,100	2,360	2,200
Oleaginous rock	6,300	6,750	6,300	6,250
Magnesite	830	250	210	300
Fluorspar	3,546	5,100	7,800	5,050
Zinc	6,490	7,800	7,700	5,800
Lead	3,470	3,300	3,000	2,800
Iron pyrites	102,450	103,000	99,000	95,000
Iron	208,000	230,000	228,000	231,000

Coal production in 1949 was maintained at 12 million metric tons, one million tons below the estimated total domestic requirements. The monthly average production was of 119,000 metric tons of anthracite, 770,000 tons of bituminous and 108,000 tons lignite, bringing the average monthly output to 997,000 metric tons, all types, or slightly over the 985,000 tons averaged per month in 1948.

Metallurgical production showed no increase over 1948 totals. The average output per month during 1949 was 280 metric tons of copper scrap, 540 tons of copper blister, 1,060 tons of electrolytic and refined copper, 56 tons of tin, 83 tons of aluminum, 1,750 tons of zinc and approximately 3,860 of lead. Ferromanganese production ran at one thousand

metric tons per month, while the corresponding average for ferrosilicon was 450 tons. The output of ferrotungsten was between two and seven tons per month. Calcium carbide averaged 1,800 tons and manganese 1,300 tons a month.

Steel Industry Shows Marked Upward Trend

There was a marked upward trend over previous years in the steel industry, although imports of steel were still necessary to meet demand. In 1948, monthly average production had reached 35,206 tons of ingots for refining purposes and 7,794 tons of foundry ingots. Minerals consumed by the industry in 1948 totalled 84,600 tons and over 50,000 tons of coke were used. From January to September, 1949, monthly production averaged 40,000 tons of ingots for refining purposes and 9,500 tons of foundry ingots. Approximately 2,000 tons of steel ingots were exported per month. About 100,000 tons of minerals and 60,000 tons of coke were used by the steel industry in 1949.

The manufacturing industries experienced the power shortages during 1949 most seriously. Severe power restrictions had to be imposed, with drastic effects on industrial production in many areas. The textile industry in the Barcelona region, for example, saw many of its plants close down for fully 50 per cent of the time. Only those factories possessing their own power generators were able to carry on, but shortages of raw materials forced some temporary shutdowns.

All sectors of the building industry were affected. The production of cement fell from a monthly average of 140,000 tons in 1948 to between 120,000 and 130,000 per month in 1949. The production of bricks and other materials fell to an even greater extent. At the same time, according to a study made recently by the National Council of Architecture in Madrid, the rate of new housing construction required is in the neighbourhood of 60,000 housing units annually. Actual construction figures are far below this level.

Total output of paper fell from an average of 13,500 metric tons per month, maintained over the last five years, to 11,000 tons in 1949, including 1,300 tons of newsprint, 6,000 tons of other printing paper and 1,100 tons of cardboard per month.

The fall in textile production was reflected in the monthly output of wool in 1949, averaging 770,000 kilograms, of which 550,000 kilograms were combed wool and 220,000 kilograms worsted. These figures contrast with the average monthly production of 1,300,000 kilograms maintained over the previous five years. The fall in cotton yarn production was not as great. Output per month over the previous five years averaged 5,100 tons, while in 1949 production was between 4,600 and 5,600 tons.

Artificial yarn production, however, continued its increase. Rayon, which in 1940 averaged 250 tons per month, and 450 tons in 1945, reached the 680-ton per month mark in 1949. Cellulose fibres produced totalled over 1,000 tons in certain months of 1949, as against 160 tons monthly in 1945.

Sharp Reduction in Electric Power Output

The sharp reduction in electric power, due to prolonged drought in 1949, was only prevented from becoming catastrophic by the notable increase in thermal power output. Thermal power, which in previous years barely reached 5 to 7 per cent of the total electric production, now made up a third of this total. In spite of this, total electric power produced in the first eight months of 1949 was 3,215 million kilowatt hours, as against 6,000 million for the whole of 1948.

The chemical industries also maintained their general upward trend, although production of certain items declined during the year.

Chemical Production

(Monthly averages in metric tons)

	1947	1948	1949
Hydrochloric acid	1,109	1,035	906
Nitric acid	937	549	603
Sulphuric acid	33,062	44,651	41,288
Oleum	2,220	2,183	1,637
Potash salts	24,512	22,087	23,160
Ammonium sulphate	1,348	1,094	867
Calcium superphosphate	29,785	59,008	72,345
Copper sulphate	21	300	350
Iron sulphate	588	500	400
Ammonia	499	417	305
Sodium carbonate	6,468	5,090	7,546
Caustic soda	4,136	4,777	4,559

Spanish transportation facilities in 1949 continued under a heavy strain. By the end of the first quarter of 1949, there were 2,674 steam locomotives and 90 electric locomotives in use, a total below the 2,779 locomotives available in December, 1948. Passenger coaches, many of them renovated, are less in number than in 1948, as replacements have been difficult to obtain. At present there are 2,613 passenger coaches, while there were 2,736 in 1948. In December, 1948, the Spanish railways carried over 10 million passengers on their broad-gauge lines and moved nearly 2,400,000 tons of freight. The corresponding figures per month for the third quarter of 1949 were: 10,550,000 passengers and 1,922,200 tons of freight.

Merchandise entering and leaving Spanish ports increased considerably over 1948 levels. Incoming freight in 1948 averaged 958,000 tons and outgoing freight 1,050,000 tons per month. In 1949, these figures rose to 1,200,000 tons incoming freight per month, and 1,120,000 tons outgoing freight.

Spanish Foreign Trade Increased

As this increase indicates, Spanish foreign trade rose markedly both in volume and in value over 1948 totals. Spain's trade relations with other countries in 1949 reached their highest point since the end of World War Two. Spanish exports for the first six months of 1949 were valued at over 563 million gold pesetas and imports at 744·5 million gold pesetas. This compares with exports at 450·8 million gold pesetas and imports at 648 million gold pesetas for the first six months of 1948.

The United Kingdom continues as Spain's principal market, and normal commercial relations have been resumed with France, also an important market. New trade agreements were signed by Spain with Denmark, the Netherlands, Sweden, Italy, Belgium and Western Germany. The year closed with the signing of a trade agreement with Iceland, by which Spain will receive medicinal and industrial cod-liver oil and other fishery products in exchange for textiles, skins, footwear, fishing nets, dried fruits, salt, wines, superphosphates and building materials.

Canadian Trade with Spain Decreased

Canadian trade with Spain decreased in the twelve months of 1949, the balance being in favour of Spain. In 1948, Canadian exports were $596,118 and imports from Spain totalled $2,586,163. Figures for 1949 show Canadian exports to Spain as $387,037, while imports from Spain stood at $2,426,617.

Main Canadian Exports to Spain

	1948	1949
	(In Canadian dollars)	
Total	$596,118	$387,037
Aluminum primary and semi-fabricated	189,792	98,913
Iron bars	78,895	69,074
Drugs, dyes and chemicals	74,274	.....
Boxes, cartons of paper	27,207	34,885
Soda sodium compound	7,457	.....
Synthetic resins	45,614	28,009
Newsprint	36,827	.....
Wheat flour	.....	5,263
Films motion picture	41,791	5,850

Main Canadian Imports from Spain

	1948	1949
	(In Canadian dollars)	
Total	$2,586,163	$2,426,617
Olives, salted in brine	810,307	747,163
Almonds, unshelled	.....	158,577
Filberts, unshelled	.....	173,332
Almonds, shelled	45,527	129,672
Olive oil	50,139	36,231
Wines, non-sparkling	311,434	288,338
Cork slabs	626,388	403,953
Mercury	394,443	19,476
Salt for fisheries	.....	39,462

World Rubber Output Down, But Consumption Up Last Year

Total world production of natural rubber declined from an estimated 1,520,000 tons in 1948 to 1,482,500 tons in 1949. Consumption, however, increased from 1,420,000 tons in 1948 to 1,427,500 tons in 1949, although Canadian consumption during this period fell from 41,567 tons to 38,299 tons.

Largest production decline was registered by Malaya, whose output in 1949 was 671,503 tons, compared with 698,189 tons in 1948, or a decrease of 26,686 tons. Ceylon showed the next largest decline, output dropping from 95,000 tons in 1948 to 89,500 tons in 1949, or a decrease of 5,500 tons from the previous year's total. India, one of the smallest producers, was the only country which showed a gain last year, her production rising from 15,424 tons in 1948 to 15,587 tons in 1949. Output of other countries last year, in tons, with figures for 1948 in brackets was as follows: Indonesia, 430,856 (432,349); Indo-China, 42,222 (43,935); Thailand, 94,234 (95,913); Sarawak, 39,461 (39,680); other British Borneo, 21,220 (22,132); other countries, 77,500 (78,000).

Consumption by the United States, the largest consumer, dropped from 627,332 tons in 1948 to 576,584 tons in 1949, or by 50,748 tons. United Kingdom consumption, next largest, also decreased last year, falling from 193,731 tons in 1948 to 184,255 tons in 1949, or by 9,476 tons. Consumption by India also dropped last year, from 19,719 tons in 1948 to 19,662 tons in 1949.

Increased consumption last year was accounted for by the following countries: France, from 86,471 tons in 1948 to 89,638 tons in 1949; Germany, exclusive of the Russian zone, from 52,500 tons in 1948 to 75,000 tons in 1949; Russia, from 100,000 tons in 1948 to 105,000 tons in 1949; other European countries, from 137,500 tons in 1948 to 157,500 tons in 1949; Australia, from 26,321 tons in 1948 to 26,500 tons in 1949; other countries, from 135,000 tons in 1948 to 155,000 tons in 1949.

(Secretariat of the Rubber Study Group)

Monthly Summary of Foreign Trade

Canadian Exports (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	62·8	70·3	230·5	189·1	208·6	235·4	237·0	221·2
February	57·4	59·6	236·4	153·1	179·5	208·3	205·0	.....
March	71·1	73·3	301·2	178·4	209·0	228·4	216·8	.....
April	48·5	50·9	312·3	178·5	190·9	212·3	237·8	.....
May	75·6	67·0	315·2	197·0	267·8	282·3	272·9	.....
June	73·3	66·0	322·8	166·7	272·7	233·5	255·1	.....
July	74·4	66·2	282·7	188·7	236·6	250·9	241·3	.....
August	77·1	69·1	295·0	242·7	221·3	224·1	251·7	.....
September	76·8	72·2	220·8	169·8	218·6	283·0	228·4	.....
October	91·3	88·2	227·9	204·2	250·8	307·0	269·1	.....
November	95·0	86·0	238·6	232·2	253·1	293·9	292·3	.....
December	81·3	68·9	234·8	211·9	266·2	316·4	285·5	.....
Total	884·5	837·6	3,218·3	2,312·2	2,774·9	3,075·4	2,993·0	221·2

Canadian Imports (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	44·6	49·7	129·7	140·3	173·8	206·1	223·8	211·9
February	42·9	47·0	112·4	117·0	177·1	182·2	206·0	.....
March	59·1	65·1	132·5	139·9	208·9	197·1	235·9	.....
April	45·3	48·9	133·8	160·8	225·6	226·7	242·7	.....
May	66·1	67·1	143·8	164·2	240·3	225·1	250·5	.....
June	60·5	58·9	146·5	157·7	231·1	233·0	250·5	.....
July	57·6	55·8	138·7	161·6	226·8	225·1	230·9	.....
August	57·9	57·0	128·1	163·2	204·6	206·5	212·1	.....
September	59·6	56·4	122·3	156·1	208·1	221·7	221·6	.....
October	68·6	63·9	134·4	186·4	254·5	243·4	234·3	.....
November	70·1	63·3	142·4	198·2	229·1	238·2	239·6	.....
December	52·2	44·3	121·2	181·9	194·2	232·0	213·4	.....
Total	684·6	677·5	1,585·8	1,927·3	2,573·9	2,636·9	2,761·2	211·9

Balance of Trade with all Countries (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	+ 19·0	+ 21·8	+ 104·2	+ 51·0	+ 36·7	+ 33·0	+ 15·2	+ 11·8
February	+ 15·3	+ 13·5	+ 128·0	+ 37·7	+ 4·7	+ 28·1	+ 1·2	.....
March	+ 13·0	+ 9·2	+ 174·5	+ 40·0	+ 3·0	+ 33·9	− 16·9	.....
April	+ 4·0	+ 2·6	+ 184·3	+ 19·5	− 32·2	− 11·6	− 2·4	.....
May	+ 10·6	+ 0·8	+ 174·9	+ 34·6	+ 30·9	+ 62·4	+ 25·1	.....
June	+ 13·8	+ 7·9	+ 180·7	+ 11·1	+ 45·3	+ 3·0	+ 6·9	.....
July	+ 17·9	+ 11·4	+ 147·4	+ 29·6	+ 12·8	+ 28·4	+ 12·8	.....
August	+ 20·3	+ 12·9	+ 172·5	+ 82·8	+ 20·3	+ 20·0	+ 41·9	.....
September	+ 18·3	+ 16·7	+ 102·7	+ 15·8	+ 13·4	+ 64·4	+ 9·4	.....
October	+ 23·8	+ 25·3	+ 98·5	+ 20·2	− 0·8	+ 66·0	+ 37·4	.....
November	+ 26·2	+ 23·5	+ 98·8	+ 37·0	+ 26·9	+ 58·2	+ 55·9	.....
December	+ 30·3	+ 25·6	+ 115·2	+ 32·4	+ 76·7	+ 87·3	+ 74·9	.....
Total	+ 212·5	+ 171·2	+ 1,681·6	+ 411·9	+ 237·8	+ 473·1	+ 261·2	+ 11·8

NOTE.—Throughout this bulletin, totals represent unrounded figures, hence may vary slightly from rounded amounts. The value of "Foreign Exports" is not included under the tabular heading "Canadian Exports", for which reason figures showing the balance of trade do not represent the difference between those for exports and imports.

The foreign trade of Newfoundland is included as from April 1, 1949.

Canadian Exports to the United Kingdom (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	25·5	33·6	83·2	51·1	50·5	64·9	55·8	48·6
February	23·6	27·3	67·5	37·9	44·9	51·7	44·1	.....
March	26·4	27·8	108·8	50·5	47·6	59·2	39·5	.....
April	16·4	18·8	109·1	41·0	43·1	44·4	63·0	.....
May	30·5	27·9	115·6	54·9	90·5	85·1	72·4	.....
June	28·9	25·6	94·6	30·6	76·2	54·2	60·7	.....
July	30·5	25·8	83·9	40·4	69·4	56·3	70·6	.....
August	31·3	26·7	66·6	71·9	66·0	52·5	62·9	.....
September	30·8	28·9	58·8	54·3	54·5	47·9	56·9	.....
October	38·4	36·0	56·3	47·7	66·8	65·6	72·3	.....
November	41·4	35·8	52·4	57·9	69·3	56·7	56·8	.....
December	30·0	25·5	66·4	59·4	72·5	48·5	49·9	.....
Total	353·6	339·7	963·2	597·5	751·2	686·9	705·0	48·6

Canadian Imports from the United Kingdom (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	8·0	8·9	9·4	20·1	14·3	21·6	25·4	26·1
February	8·1	8·8	6·7	13·0	10·5	17·9	22·9	.....
March	10·9	11·5	9·3	14·4	13·8	21·6	28·3	.....
April	8·4	9·2	12·0	21·2	12·7	24·6	30·1	.....
May	12·7	11·9	15·2	18·8	15·2	27·4	29·5	.....
June	10·8	9·2	13·8	23·4	18·1	26·0	27·0	.....
July	11·3	9·7	12·0	21·9	17·7	29·4	29·4	.....
August	11·4	10·4	10·7	14·5	15·1	24·7	26·2	.....
September	10·5	10·0	9·6	12·0	15·6	24·1	21·9	.....
October	11·0	11·6	12·1	15·6	18·3	29·3	19·4	.....
November	13·0	11·0	14·8	14·9	17·8	28·3	26·5	.....
December	8·0	7·0	14·9	11·7	20·3	24·6	20·8	.....
Total	124·0	119·3	140·5	201·4	189·4	299·5	307·4	26·1

Balance of Trade with the United Kingdom (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	+ 17·7	+ 24·8	+ 74·5	+ 31·2	+ 36·3	+ 43·4	+ 30·5	+ 22·8
February	+ 14·6	+ 18·7	+ 61·4	+ 24·9	+ 34·5	+ 33·9	+ 21·4	.....
March	+ 15·6	+ 16·4	+ 101·5	+ 36·2	+ 33·9	+ 37·7	+ 11·3	.....
April	+ 9·1	+ 9·6	+ 98·9	+ 19·8	+ 30·4	+ 19·8	+ 33·4	.....
May	+ 17·7	+ 16·2	+ 101·1	+ 36·2	+ 75·6	+ 57·8	+ 43·4	.....
June	+ 18·3	+ 16·6	+ 81·3	+ 7·3	+ 58·2	+ 28·3	+ 34·1	.....
July	+ 19·4	+ 16·3	+ 72·2	+ 18·6	+ 52·0	+ 27·1	+ 41·7	.....
August	+ 20·0	+ 16·5	+ 56·8	+ 57·5	+ 51·1	+ 27·9	+ 37·1	.....
September	+ 20·3	+ 19·0	+ 49·2	+ 42·4	+ 39·4	+ 24·1	+ 35·5	.....
October	+ 27·5	+ 24·6	+ 44·8	+ 32·1	+ 48·7	+ 36·5	+ 53·3	.....
November	+ 28·4	+ 24·8	+ 37·7	+ 43·3	+ 51·6	+ 28·6	+ 30·7	.....
December	+ 22·1	+ 18·6	+ 51·6	+ 47·8	+ 52·5	+ 24·0	+ 29·4	.....
Total	+ 230·8	+ 222·1	+ 830·9	+ 397·4	+ 564·3	+ 389·2	+ 401·8	+ 22·8

Canadian Exports to the United States (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	22·1	20·0	84·7	62·3	79·5	105·0	116·0	130·9
February	19·7	16·8	91·5	57·6	69·4	94·8	106·7	.....
March	25·9	22·7	103·3	66·5	83·1	112·5	122·4	.....
April	20·1	18·0	109·1	71·4	88·3	109·2	110·7	.....
May	26·1	20·4	117·2	72·2	79·8	114·7	121·2	.....
June	25·1	20·0	112·3	66·5	82·0	109·8	113·9	.....
July	25·9	21·0	102·7	74·8	82·1	118·9	104·4	.....
August	28·3	25·3	112·6	75·0	81·4	114·0	115·4	.....
September	29·4	25·1	84·8	69·6	87·5	162·0	113·7	.....
October	33·5	28·0	88·4	99·1	102·4	148·9	148·1	.....
November	31·9	28·4	101·2	89·2	92·9	163·3	171·3	.....
December	33·3	24·7	88·9	83·9	106·0	147·8	159·8	.....
Total	321·3	270·5	1,197·0	887·9	1,034·2	1,501·0	1,503·5	130·9

Canadian Imports from the United States (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	28·7	32·3	101·8	97·4	136·4	150·0	164·8	154·5
February	27·9	31·2	92·8	86·0	138·4	136·8	148·8	.....
March	38·0	42·9	105·3	100·1	165·1	138·3	169·0	.....
April	29·2	31·4	102·7	114·8	181·6	159·5	177·3	.....
May	38·3	40·5	104·8	113·4	184·7	145·0	172·1	.....
June	36·4	37·1	110·7	106·6	174·7	154·9	176·9	.....
July	33·4	34·1	103·5	112·5	168·9	149·5	160·3	.....
August	33·7	35·3	96·8	123·1	155·3	136·1	143·6	.....
September	36·2	34·7	89·6	115·8	163·0	152·7	158·0	.....
October	42·5	38·5	101·3	140·4	190·4	160·2	167·6	.....
November	40·8	37·6	103·3	149·5	174·4	163·4	162·7	.....
December	33·6	29·2	89·9	145·6	141·7	159·4	151·0	.....
Total	418·7	424·7	1,202·4	1,405·3	1,974·7	1,805·8	1,951·9	154·5

Balance of Trade with the United States (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
	(Millions of Dollars)							
January	− 5·9	− 11·3	− 15·0	− 33·2	− 55·8	− 43·2	− 47·3	− 21·5
February	− 7·5	− 13·8	+ 1·9	− 27·1	− 67·1	− 40·4	− 40·6	.....
March	− 10·3	− 19·5	+ 1·7	− 32·4	− 80·2	− 24·2	− 44·9	.....
April	− 8·4	− 12·8	+ 10·1	− 41·9	− 91·6	− 48·0	− 65·1	.....
May	− 11·0	− 19·5	+ 15·0	− 39·9	− 102·7	− 28·7	− 49·1	.....
June	− 10·5	− 16·5	+ 3·8	− 38·5	− 90·5	− 43·5	− 61·3	.....
July	− 6·6	− 12·4	+ 1·5	− 35·9	− 84·9	− 28·6	− 54·2	.....
August	− 4·5	− 9·4	+ 18·2	− 45·6	− 71·6	− 20·3	− 26·6	.....
September	− 5·9	− 8·9	− 2·3	− 44·7	− 73·8	+ 11·4	− 42·6	.....
October	− 8·0	− 9·7	− 9·9	− 39·4	− 86·2	− 9·6	− 17·8	.....
November	− 7·7	− 8·6	− 0·1	− 58·1	− 79·8	+ 1·5	+ 10·9	.....
December	− 0·7	− 3·7	+ 0·1	− 60·1	− 33·9	− 9·9	+ 10·7	.....
Total	− 87·0	− 146·0	+ 25·0	− 496·7	− 918·1	− 283·6	− 427·8	− 21·5

Basis for Recording Trade Data Not Uniform for all Countries

Canadian statistics rarely agree with those of other countries trading with Canada—Discrepancies due to lack of uniformity in methods of classification and valuation of commodities—Differences attributable by Dominion Bureau of Statistics to six chief factors.

CANADIAN statistics, illustrating the value of trade between Canada and other countries, rarely agree with the values shown by other countries for their trade with Canada, and wide differences between the two sets of records are not uncommon. The problem of incomparabilities in the statistical records of different nations has frequently been discussed, but no uniform method of classification and valuation that would eliminate these differences has yet been adopted by the various trading nations. The chief sources of discrepancy are summarized by the Dominion Bureau of Statistics in its "Review of Foreign Trade" for the first half of 1949, as follows:

1. *Valuation.*—Differences in the system of valuing trade used by Canada and other countries account for a considerable part of these discrepancies. The chief causes of valuation differences are:

(*a*) Principles of valuation: Canada values both exports and imports on the general plan of f.o.b. point of consignment. The most common principle in use in other countries is that of valuing imports c.i.f. to frontier and exports f.o.b. at frontier, although other variations are frequent. Varying amounts of freight and other charges may thus enter into the trade values of different countries.

(*b*) Arbitrary valuations: Customs evaluators may set arbitrary values on imports, for purposes of either revenue or protection, which bear little relation to their cost to the importer. Where this is done by either trading partner, it can lead to considerable divergencies in trade records.

(*c*) Exchange rates: Where currency relationships between countries are disturbed, trading countries may use different rates for converting to their domestic currency values expressed in the currencies of other countries. This applies especially to countries which make use of multiple exchange rates.

Two Basic Systems of Recording Trade Statistics Distinguished

2. *System of Recording Trade.*—The United Nations Statistical Office distinguishes two basic systems of recording trade statistics. One, the General Trade system, includes in imports all goods entering the country at the time of entry, whether cleared by customs or not, and in exports goods re-exported from customs warehouses without at any time having been cleared for domestic consumption, as well as domestic produce and foreign produce cleared for domestic consumption. The United Kingdom, India, the Union of South Africa and Australia are among Canada's leading trading partners using variations of this system. The other system, the Special Trade system, records imports when they are cleared for domestic consumption and includes in exports only domestic produce and foreign produce previously cleared for domestic consumption. Canada,

France, Argentina, Belgium. the Netherlands and the Scandinavian countries are among those using this latter system. The United States records both special and general imports and general exports. Variations in detail from the principles of these plans occur, however, in almost all cases.

3. *Definitions of Territorial Areas.*—The same territorial designation may not, when used by different countries, always include the same area. In Canadian statistics, the term "United States" refers only to the continental portion of the United States of America and excludes Alaska. In the statistics of the United States, all territories and dependencies (except the Virgin Islands) are included under the same heading as the continental portion of that political area.

Canada Classifies Exports by Country of Destination

4. *Systems of Geographical Classification of Trade.*—Possibly the chief causes of differences between Canada's recorded values of exports to certain countries and those countries' records of imports from Canada arises from Canada's classification of exports by country of consignment, which may or may not be the ultimate destination of the goods. In cases where Canadian goods are re-exported from the original country of consignment, the final recipient may list these goods either as from Canada or as from the intermediate country. However, country of consignment is the only type of classification which Canada has the necessary information to follow, as there is no way of knowing the ultimate destination of goods at the time of export. Indeed, even their immediate destination cannot always be known with certainty, since bulk commodities, such as wheat, may change ownership and even destination while in transit from Canada. It appears that only the final recipient of the goods has the necessary information for an accurate classification of some goods by country of origin, and it is on this final recipient that the onus of reconciling discrepancies due to this cause must usually fall.

5. *Time Lags.*—Much of Canada's trade is with distant countries, and at the beginning or the end of any statistical period there is usually a considerable volume of goods in transit. While these will be recorded in Canada in the period in which they are shipped, the recipient country, if it receives them in a subsequent period, will record them in that period. This factor tends to distort the records of the countries concerned for the periods affected, although to a considerable extent such movements will balance from one year to the next.

6. *Inclusions and Exclusions.*—The trade statistics of all countries do not cover all articles entering into trade, and items included in those of one country may be excluded from those of another.

Sawn Lumber Production East of Rockies Higher

Production of sawn lumber east of the Rockies was six per cent higher in 1949 than in the preceding year, while in December output declined slightly. In the year, increases were recorded for all provinces except Nova Scotia, Ontario, Saskatchewan and Alberta, while in December, estimates for Saskatchewan and Alberta were higher than a year earlier.

United States and Canada Discuss Mutual Agricultural and Commercial Problems

Charles F. Brannan, United States Secretary of Agriculture, visits Ottawa for discussions with Canadian officials — Co-operation between the two countries lauded.

TWO-WAY trading must have continuous attention, if it is to flourish, in the opinion of Charles F. Brannan, United States Secretary of Agriculture, who discussed agricultural and commercial problems concerning his country and Canada during a visit to Ottawa the end of last week. "Under the Reciprocal Trade Agreement program, the tariff barriers between the two countries have been appreciably reduced," he said. "We work closely together in order to get our crops, such as wheat, harvested. Possibly less publicized are the movement of sugar beet workers between Saskatchewan and Montana, and the movement of tobacco curers and handlers from North Carolina, Kentucky and Virginia to Canada.

"We co-operate in fighting all forms of insects, pests, and plant disease. Our grasshopper control forces work in the closest co-operation with personnel and material being frequently exchanged. We have had joint campaigns against the European corn borer, the Gypsy moth, and the pear psylla. We co-operate in the formulation of grades and standards so that products can be freely accepted in each others' markets.

"And there is another area of important co-operation. North America furnishes a very large portion of the foodstuffs moving into world trade. Now, as we face a period in which agricultural surpluses may have increasing difficulty in finding markets, it is essential that the United States and Canada work together in the service of our farmers and in our efforts to make this tremendous food supply a blessing to mankind.

Canada is Normally Biggest Foreign Customer of United States Farmer

"Next to the United Kingdom, Canada is normally the biggest foreign customer of the United States farmer. Although Great Britain is Canada's best customer for its wheat and flour, bacon and cheese, the United States is Canada's best customer for its coarse grains, clover and alfalfa seed, certified seed potatoes, poultry and cattle, including breeding stock, dairy cows and feeder and slaughter cattle.

"Canada buys United States cotton and citrus fruits the year round, its fresh vegetables and fruits during the winter months and to some extent at other times, and its new potatoes and early apples before those of Canada come on the market.

"In 1949, United States agricultural imports from Canada were in the neighbourhood of $240 million and Canadian imports from the United States amounted to roughly $215 million. That figure on Canadian exports does not include wheat, which came into the United States to be milled in bond."

Secretary Brannan was accompanied by the following members of his staff: Ralph S. Trigg, President of the Commodity Credit Corporation, and Administrator, Production and Marketing Administration; Fred J. Rossiter, Associate Director, Office of Foreign Agricultural Relations: Don Stoops, Assistant to the Administrator, Production and Marketing Administration, and F. Marion Rhodes, Assistant Director, Price Support and Foreign Supply Branch of the Production and Marketing Administration.

Trade and Tariff Regulations

Bolivian Consular Fees Increased

Effective January 1, 1950, the cost of a set of Bolivian consular invoice blanks has been increased to $6.00 Canadian currency, and these blanks can only be obtained by Canadian exporters at the Consulate General of Bolivia in Montreal, as their serial numbers are registered there. The cost of a letter of correction is now $3.60 and the visaing of an extra copy of the consular invoice, when needed, is $2.40 plus the cost of the blank invoice which is $1.20.

A consular invoice is required for all ocean freight, parcel post and air cargo shipments valued at $25.00 or more, f.o.b. Canada.

Shortage of Exchange in Bolivia Acute

Santiago, February 28, 1950.—(FTS)—Shortage of foreign exchange in Bolivia has become acute, due to a fall in mineral prices and a reduction in exports of minerals. During 1949, foreign exchange was granted for the installation of new factories and the enlargement of others, such exchange to be charged to the 1950 budget. However, a decree of February 6, 1950, cancels all outstanding permits and they must be revalidated. The decree also provides that tin exporters must sell to the Central Bank at the official rate all foreign exchange arising from these exports. Previously they had been permitted to retain a portion for their own use.

As a further control over foreign exchange a decree of February 13 prohibits the import of automobiles, this prohibition being applicable to official organizations as well as to private individuals. The Customs authorities have been instructed not to clear any automobiles covered by consular invoices dated later than February 20.

India Liberalizes Import Policy on Drugs

Bombay, February 21, 1950.—(FTS)—Provision has been made for the importation by India of essential drugs from hard- and soft-currency areas in good quantity. Licences to import large quantities of streptomycin from dollar areas have also been issued by the Chief Controller of Imports. Steps are now being taken to liberalize the import policy to cover the whole range of surgical instruments and appliances.

India Permits Certain Imports from Hard-Currency Countries

New Delhi, February 25, 1950.—(FTS)—The Government of India announced on February 4 that, in anticipation of the announcement of the general licensing principles for the period January-June, 1950, licences will be granted for the following items from hard-currency countries: trucks, completely knocked down; raw manila hemp, by actual users; unmanufactured tobacco, by tobacco manufacturers; sulphur, by actual users; spare parts for motor vehicles, by established workshops; lubricating oil, by established importers.

Imports Into the Philippines Further Restricted

Manila, January 31, 1950.—(FTS)—A recent ruling by the exchange control authorities in the Philippines has had the effect of further restricting import trade. Under this regulation, an importer of essential

goods not subject to import licence or quota restriction is now limited in the amount of exchange that he can obtain for such imports to six per cent per month of the total value of his imports during 1949. The effect will be to curtail the volume of imports of these essential goods, since no buyer will be able to purchase exchange during the current year for more than 72 per cent of the value of his 1949 imports of these goods.

Committee Appointed by Philippines to Allocate Flour Quotas

Manila, March 7, 1950.—(FTS)—The President of the Philippine Republic has issued an order appointing a committee to allocate the flour quotas under the International Wheat Agreement. The Central Bank of the Philippines has requested its authorized agents to withhold action on all applications for the importation of flour until the committee has announced the names of the authorized importers.

Canadian Asbestos Exports Showed Overall Decline Last Year

Shipments of asbestos from Canadian mines decreased 20 per cent in 1949 as compared with the preceding year, the decline being due to the labour dispute in the first half of the year when shipments fell off 54 per cent. In the second half there was an increase of almost 10 per cent. Exports for the full year were down 23 per cent.

Exports during the year aggregated 534,990 tons as compared with 690,442 in the preceding year. In December, 64,056 tons were exported compared with 64,245 in December, 1948.

Freight Traffic Through Sault Ste. Marie Canals Down

Freight traffic through Canadian and United States locks of the Sault Ste. Marie canals in the 1949 season of navigation grossed 96,187,769 tons, down 19,706,881 tons from the preceding year. Total eastbound freight was 84,047,570 tons compared with 95,764,029, while westbound volume at 12,140,199 tons declined more sharply from 20,130,621 tons, due to the decrease in soft coal movement. Passenger traffic increased slightly from 112,516 in 1948 to 113,005.

On the Welland ship canal the movement of freight during the year reached a record total of 13,692,209 tons compared with 13,437,849 in the preceding year, a rise of two per cent. An active season of navigation was also shown for the St. Lawrence system with a total of 7,960,194 tons of cargo against 7,378,010 in 1948. The increase was nearly eight per cent, and the total constitutes a high since the 1939 tonnage of 8,340,165.

DATA FOR EXPORTERS COMPILED

Information, of particular interest to Canadian exporters, concerning shipping documents and customs regulations of foreign countries, is being compiled by the International Trade Relations Division. Countries concerning which such information is now available in a revised form are: Belgium, Cuba, Denmark, Dominican Republic, Egypt, Greece, Guatemala, Italy, Mexico, Netherlands Antilles, Nicaragua, Norway, Panama, Surinam (Netherlands Guiana), Sweden, Switzerland and Venezuela. Data on other countries will be made available from time to time.

Lists of ocean-going departures from Canadian ports, which have been published regularly in "Foreign Trade", were discontinued with the February 18, 1950, issue, due to the fact that many ships shown on berth for certain ports were being cancelled or diverted after "Foreign Trade" had gone to press. An alternative service will be provided by the Transportation and Communications Division, which is in a position to furnish information concerning trade routes and the latest available sailings to foreign ports, should shippers experience any difficulty in obtaining details from steamship operators and agents. On application to the Transportation and Communications Division, shippers may obtain a list of the principal Canadian trade routes and the various firms maintaining services thereon.

Steamship operators and agents are invited to supply the Transportation and Communications Division with their latest sailing schedules, in order that a complete record of ocean-going departures may be maintained.

Cargo Handled Through New Westminster

	1948	1949
Exports—		
Lumber, bd. ft.	244,057,248	255,622,585
Shingles, bdls.	135,748	70,525
Fir ties, bd. ft.	13,707,610	6,393,081
Box shooks, cu. ft.	891,395	61,147
Boxes (citrus), bdls.	.....	.....
Plywood, sq. ft.	40,251,219	14,065,015
Lead, tons	8,114	25,609
Zinc, tons	12,413	25,113
Nitraprills, tons	94,653	59,777
Sulphate of ammonia, tons	90,664	106,096
Ammonium phosphate, tons	31,992	51,157
Grain, bushels	3,108,200	4,725,830
Flour, tons	491	629
Canned salmon, tons	564	1,886
Canned herring, tons	2,972	82
Eggs, cases	86,638	68,499
Meats (assorted), tons	.....	1,653
Woodpulp, tons	1,169	2,954
Strawberries, bbls.	.....	907
Raspberries, bbls.	56	8,965
Apples, boxes	192,137	428,011
Paper, tons	122	291
General, tons	3,886	2,362
Imports—		
Ore, tons	213	7,686
Coconut, tons	630	.....
Pineapple juice, cases	11,101	62,729
Pineapple, cases	.....	880
Phosphate rock, tons	3,497	3,001
Nuts (Brazil), tons	.....	.....
Tea, tons	74	.....
Miscellaneous, tons	170	.....
General, tons	116	951
Concentrates, tons	10,774	19,725
Rice, tons	7,369	14,306
Coffee, tons	274	5
Copra, tons	868	.....
Shells (oyster), tons	.....	.....
Lumber (hardwood), bd. ft.	.....	.....
Logs (mahogany), bd. ft.	.....	169,500

Ocean Traffic Through New Westminster

	1948	1949
Ocean-going arrivals	280	338
Net registered tonnage	1,179,123	1,382,141
Cargo tonnage (exports)	769,650	836,586
Cargo tonnage (imports	24,194	47,278

Jamaica Completes Record Citrus Crop as Small Shipment Made to Great Britain

Over 820,000 boxes were either exported or processed locally, as compared with 670,000 boxes last season—About 380,000 boxes of sweet oranges and Marsh seedless grapefruit shipped—More fruit processed than formerly.

By M. B. Palmer, Canadian Government Trade Commissioner

KINGSTON, February 23, 1950.—Jamaica's largest citrus crop was completed last week by a small final shipment to the United Kingdom. Over 820,000 boxes were either exported or processed locally, compared with 670,000 boxes last season.

Approximately 380,000 boxes of sweet oranges and Marsh seedless grapefruit were shipped during the season, being an increase of 80,000 boxes. Had freight space been available, New Zealand was prepared to take about double the quantity she received.

More fruit was processed than formerly, increasing by 70,000 to 444,000 boxes. Prices for export, as well as for processing, remained the same but with higher prices for containers, due to devaluation, dividends to growers were smaller.

The crop also was earlier this year and shipments to the United Kingdom began in October. Rejections were high in the initial stages, but levelled off to normal as the season advanced, due primarily to publicity issued by the Citrus Growers Association.

The market for sweet seeded grapefruit, which had been gradually diminishing, disappeared entirely this year and it is estimated about 245,000 boxes rotted on the ground. Strenuous persuasive tactics, for some time, have been undertaken by the association to induce growers to top-work their trees with marketable varieties.

Prospects for next season look bright in spite of the delay by the British Ministry of Food in signing the ten-year citrus contract. Citrus goes on open general licence in Britain as from May and it is expected the New Zealand Government will turn over buying to the trade, resulting in better prices. The new processing factory at Bog Walk also is expected to be in operation for the new crop.

Canadian Silver and Zinc Production Up Last Year

Production of silver and zinc showed substantial gains in 1949 over the preceding year, but lead output moved to a lower level. The December output of all three was up from a year earlier.

Silver production in the year 1949 amounted to 17,377,200 fine ounces as compared with 16,110,000 the year before; zinc, 290,700 tons compared with 234,200; and lead, 160,500 tons compared with 167,300.

Foreign Trade Service Abroad

Cable address:—Canadian, unless otherwise shown.

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

Argentina

Buenos Aires—H. L. BROWN, Commercial Secretary, Canadian Embassy, Bartolomé Mitre 478.

Territory includes Uruguay and Paraguay.

Buenos Aires — W. B. MCCULLOUGH, Commercial Secretary (Agricultural Specialist), Canadian Embassy, Bartolomé Mitre 478.

Australia

Sydney—C. M. CROFT, Commercial Counsellor for Canada, City Mutual Life Building, Hunter and Bligh Streets. Address for letters: Post Office Box 3952 G.P.O.

Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.

Melbourne—F. W. FRASER, Commercial Secretary for Canada, 83 William Street.

Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.

Belgian Congo

Leopoldville—L. H. AUSMAN, Canadian Government Trade Commissioner, Forescom Building. Address for letters: Boîte Postale 373.

Territory includes Angola and French Equatorial Africa.

Belgium

Brussels—B. A. MACDONALD, Commercial Counsellor, Canadian Embassy, 46 rue Montoyer.

Territory includes Luxembourg.

Brazil

Rio de Janeiro—D. W. JACKSON, Commercial Secretary, Canadian Embassy, Edificio Metropole, Avenida Presidente Wilson 165. Address for letters: Caixa Postal 2164.

São Paulo—C. J. VAN TIGHEM, Commercial Secretary for Canada, Canadian Consulate, Edificio Alois, Rua 7 de Abril, 252. Address for letters: Caixa Postal 6034.

Chile

Santiago—Acting Commercial Secretary, Canadian Embassy, Bank of London and South America Building. Address for letters: Casilla 771. Territory includes Bolivia.

China

Shanghai—B. I. RANKIN, Commercial Secretary for Canada, 27 The Bund, Postal District (0).

Territory includes Taiwan (Formosa).

Colombia

Bogotá—H. W. RICHARDSON, Canadian Government Trade Commissioner, Edificio Colombiana de Seguros. Address for letters: Apartado 1618. Address for air mail: Apartado Aereo 3562.

Territory includes Republic of Panama and the Canal Zone.

Cuba

Havana—A. W. EVANS, Commercial Secretary, Canadian Legation, Avenida de las Misiones 17. Address for letters: Apartado 1945.

Territory includes Haiti, Dominican Republic and Puerto Rico.

Egypt

Cairo—J. M. BOYER, Canadian Government Trade Commissioner, 22 Sharia Kasr el Nil. Address for letters: Post Office Box 1770.

Territory includes Aden, Anglo-Egyptian Sudan, Cyprus, Ethiopia, Iraq, Lebanon, Saudi Arabia, Syria and the Hashemite Kingdom of the Jordan.

France

Paris—J. P. MANION, Commercial Secretary, Canadian Embassy. Address for letters: 3 rue Scribe.

Territory includes Algeria, French Morocco and Tunisia.

Paris—J. H. TREMBLAY, Commercial Secretary (Agricultural Specialist), Canadian Embassy. Address for letters: 3 rue Scribe.

Germany

Frankfurt am Main—Acting Canadian Commercial Representative, Canadian Consulate, 145 Fuerstenbergerstrasse.

Cable address, Canadian Frankfurt-Main.

Greece

Athens—T. J. MONTY, Commercial Secretary, Canadian Embassy, 31 Vassilissis Sophias Avenue.

Territory includes Israel.

Guatemala

Guatemala City—J. C. DEPOCAS, Canadian Government Trade Commissioner, No. 20, 4th Avenue South. Address for letters: Post Office Box 400.

Territory includes Costa Rica, El Salvador, Honduras and Nicaragua.

Foreign Trade Service Abroad—Continued

Hong Kong

Hong Kong—K. F. NOBLE, Canadian Government Trade Commissioner, Hong Kong Bank Building. Address for letters: Post Office Box 126.

Territory includes South China and French Indo-China.

India

New Delhi—RICHARD GREW, Commercial Secretary, Office of the High Commissioner for Canada, 4 Aurangzeb Road. Address for letters: Post Office Box 11.

Bombay—Acting Commercial Secretary for Canada, Gresham Assurance House, Mint Road. Address for letters: Post Office Box 886.

Territory includes Burma and Ceylon.

Ireland

Dublin—H. L. E. PRIESTMAN, Commercial Secretary for Canada, 66 Upper O'Connell Street.

Italy

Rome—R. G. C. SMITH, Commercial Secretary, Canadian Embassy, Via Saverio Mercadante 15-17.

Territory includes Malta, Yugoslavia and Libya.

Jamaica

Kingston—M. B. PALMER, Canadian Government Trade Commissioner, Canadian Bank of Commerce Chambers. Address for letters: Post Office Box 225.

Territory includes the Bahamas and British Honduras.

Japan

Tokyo — J. C. BRITTON, Commercial Representative, Canadian Liaison Mission, Canadian Legation Building.

Territory includes Korea.

Mexico

Mexico City—D. S. COLE, Commercial Counsellor, Canadian Embassy, Edificio Internacional, Paseo de la Reforma. Address for letters: Apartado Num. 126-Bis.

Netherlands

The Hague—J. A. LANGLEY, Commercial Counsellor, Canadian Embassy, Sophialaan 1-A.

The Hague—D. A. B. MARSHALL, Commercial Secretary (Agricultural Specialist), Canadian Embassy, Sophialaan 1-A.

Territory includes Belgium, Denmark and Luxembourg.

New Zealand

Wellington—P. V. MCLANE, Commercial Secretary, Office of the High Commissioner for Canada, Government Life Insurance Building. Address for letters: Post Office Box 1660.

Territory includes Fiji and Western Samoa.

Norway

Oslo—S. G. MACDONALD, Commercial Secretary, Canadian Legation, Fridtjof Nansens Plass 5.

Territory includes Denmark and Greenland.

Pakistan

Karachi—G. A. BROWNE, Commercial Secretary, Office of the High Commissioner for Canada. The Cotton Exchange, McLeod Road. Address for letters: Post Office Box 531.

Territory includes Iran and Afghanistan.

Peru

Lima—R. E. GRAVEL, Commercial Secretary, Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin. Address for letters: Casilla 1212.

Territory includes Ecuador.

Philippines

Manila—F. H. PALMER, Canadian Government Trade Commissioner, Tuason Building, 8-12 Escolta, Binondo. Address for letters: Post Office Box 1825.

Portugal

Lisbon—L. S. GLASS, Canadian Government Trade Commissioner, Canadian Consulate General, Rua Rodrigo da Fonseca 103.

Territory includes the Azores and Madeira, Spanish Morocco, the Canary Islands and Gibraltar.

Singapore

Singapore—PAUL SYKES, Canadian Government Trade Commissioner, Room D-2, Union Building. Address for letters: Post Office Box 845.

Territory includes Federation of Malaya, Indonesia, North Borneo, Brunei, Sarawak and Thailand.

South Africa

Johannesburg—S. V. ALLEN, Canadian Government Trade Commissioner, Mutual Building, Harrison Street. Address for letters: Post Office Box 715.

Territory includes Transvaal, Natal, Southern Rhodesia, Northern Rhodesia, Mozambique or Portuguese East Africa, Kenya, Nyasaland, Tanganyika and Uganda.

Cable address, Cantracom.

Foreign Trade Service Abroad—Concluded

Cape Town—C. B. BIRKETT, Commercial Secretary for Canada, 5th Floor, Grand Parade Centre Building, Adderley Street. Address for letters: Post Office Box 683.
Territory includes Cape Province, Orange Free State, South-West Africa, Mauritius and Madagascar.
Cable address, Cantracom.

Spain

Madrid—E. H. MAGUIRE, Canadian Government Trade Commissioner. Address for letters: Apartado 117, Madrid.

Sweden

Stockholm—B. J. BACHAND, Commercial Secretary, Canadian Legation, Strandvägen 7-C. Address for letters: Post Office Box 14042.
Territory includes Finland.

Switzerland

Berne—YVES LAMONTAGNE, Commercial Counsellor, Canadian Legation, Thunstrasse 95.
Territory includes Austria, Czechoslovakia and Hungary.

Trinidad

Port-of-Spain—T. G. MAJOR, Canadian Government Trade Commissioner, 43 St. Vincent Street. Address for letters: Post Office Box 125.
Territory includes Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana and the French West Indies.

Turkey

Istanbul—G. F. G. HUGHES, Commercial Secretary for Canada, Istiklal Caddesi, Lion Magazasi yaninda, Kismet Han No. 3/4, Beyoglu, Istanbul. Address for letters: Post Office Box 2220, Beyoglu.

United Kingdom

London—A. E. BRYAN, Commercial Counsellor, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.
Cable address, Sleighing, London.

London—R. P. BOWER, Commercial Secretary, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.
Territory includes the South of England, East Anglia and British West Africa (Gold Coast, Sierra Leone and Nigeria).
Cable address, Sleighing, London.

London—W. B. GORNALL, Commercial Secretary (Agricultural Specialist), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.
Cable address, Cantracom, London.

London—R. D. ROE, Commercial Secretary (Timber Specialist), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.
Cable address, Timcom, London.

Liverpool—M. J. VECHSLER, Canadian Government Trade Commissioner, Martins Bank Building, Water Street.
Territory includes the Midlands, North of England and Wales.

Glasgow—J. L. MUTTER, Canadian Government Trade Commissioner, 200 St. Vincent Street.
Territory covers Scotland and Iceland.
Cable address, Cantracom.

Belfast—H. L. E. PRIESTMAN, Canadian Government Trade Commissioner, 36 Victoria Square.
Territory covers Northern Ireland.

United States

Washington—J. H. ENGLISH, Commercial Counsellor, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

Washington—Dr. W. C. HOPPER, Agricultural Secretary, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

New York City—M. T. STEWART, Canadian Government Trade Commissioner, British Empire Building, Rockefeller Center.
Territory includes Bermuda.
Cable address, Cantracom.

New York City—M. B. BURSEY, Canadian Government Trade Commissioner (Fisheries Specialist), British Empire Building, Rockefeller Center.

Boston—T. F. M. NEWTON, Consul of Canada, 532 Little Building, 80 Boylston Street, Boston 16.

Detroit—J. J. HURLEY, Consul of Canada, Canadian Consulate, 1035 Penobscot Building, Detroit 26, Michigan.

Chicago—EDMOND TURCOTTE, Consul-General of Canada, Suite 800, Chicago Daily News Building, 400 West Madison Street.

Los Angeles—V. E. DUCLOS, Canadian Government Trade Commissioner, Associated Realty Building, 510 West Sixth Street.

San Francisco—H. A. SCOTT, Consul-General of Canada, 3rd floor, Kohl Building, 400 Montgomery Street.

Venezuela

Caracas—C. S. BISSETT, Canadian Government Trade Commissioner, Canadian Consulate General, 8° Piso, Edificio America, Esquina Veroes. Address for letters: Apartado 3306.
Territory includes Netherlands Antilles.

Foreign Exchange Quotations

The following are nominal quotations, based on rates available in London or New York and converted into Canadian terms at the mid-rate for sterling or par for United States dollars, as furnished by the Foreign Exchange Division of the Bank of Canada. These quotations may be found useful in considering statistics and prices generally, but Canadian exporters are reminded that the kinds of currency which may be accepted for exports to different countries are specifically covered by the Foreign Exchange Control Act and Regulations, and that funds may sometimes be tendered in payment for exports, which cannot, in fact, be transferred to Canada. Both importers and exporters are advised to communicate with their bankers before completing financial arrangements for the sale or purchase of commodities, to ensure that the method of payment contemplated is not only possible but that it is in accordance with the Foreign Exchange Control Act and Regulations.

Country	Monetary Unit		Nominal Quotations Sept. 17	Nominal Quotations Feb. 28	Nominal Quotations Mar. 6
Argentina	Peso	Off.	·2977	·3275	·3275
		Free	·2085	·1221	·1221
Austria	Schilling	Export	.....	·0515	·0515
Australia	Pound	....	3·2240	2·4640	2·4640
Belgium and Belgian Congo	Franc	....	·0228	·0220	·0220
Bolivia	Boliviano	....	·0238	·0262	·0262
British West Indies (Except Jamaica)	Dollar	....	·8396	·6417	·6417
Brazil	Cruzeiro	....	·0544	·0598	·0598
Burma	Rupee	....	·3022	.....	.....
Ceylon	Rupee	....	·3022	·2310	·2310
Chile	Peso	Off.	·0233	·0183	·0183
Colombia	Peso	....	·5128	·5641	·5641
Costa Rica	Colon	....	·1800	·1980	·1980
Cuba	Peso	....	1·0000	1·1000	1·1000
Czechoslovakia	Koruna	....	·0200	·0220	·0220
Denmark	Krone	....	·2084	·1592	·1592
Dominican Republic	Peso	....	1·0000	1·1000	1·1000
Ecuador	Sucre	....	·0740	·0815	·0815
Egypt	Pound	....	4·1330	3·1587	3·1587
El Salvador	Colon	....	·4000	·4400	·4400
Fiji	Pound	....	3·6306	2·7748	2·7748
Finland	Markka	....	·0062	·0048	·0048
France, Monaco and French North Africa	Franc	Off.	·0037	·0032	·0032
French Empire—African	Franc	....	·0073	·0063	·0063
French Pacific Possessions	Franc	....	·0201	·0174	0174
Germany	Deutsche Mark	....	3000	·2619	2619
Guatemala	Quetzal	....	1·0000	1·1000	1·1000
Haiti	Gourde	....	·2000	·2200	·2200
Honduras	Lempira	....	·5000	·5500	·5500
Hong Kong	Dollar	....	·2519	·1925	·1925
Iceland	Krona	....	·1541	·1178	·1178
India	Rupee	....	·3022	·2310	·2310
Iran	Rial	....	·0212	.....	.....
Iraq	Dinar	....	4·0300	3·0800	3·0800
Ireland	Pound	....	4·0300	3·0800	3·0800
Israel	Pound	....	3·0000	3·0800	3·0800
Italy	Lira	....	·0017	·0018	·0018
Jamaica	Pound	....	4·0300	3·0800	3·0800
Japan	Yen	....	·0028	.....	.....
Lebanon	Piastre	....	·4561	.....	.....
Mexico	Peso	....	·1157	·1273	·1273
Netherlands	Florin	....	·3769	·2895	·2895
Netherlands Antilles	Florin	....	·5308	·5833	5833
New Zealand	Pound	....	4·0150	3·0800	3·0800
Nicaragua	Cordoba	....	·2000	·2200	·2200
Norway	Krone	....	·2015	·1540	·1540
Pakistan	Rupee	....	·3022	·3325	3325
Panama	Balboa	....	1·0000	1·1000	1·1000
Paraguay	Guarani	....	3200	.....	.....
Peru	Sol	....	·1538	·0715	·0715
Philippines	Peso	....	4975	·5500	·5500
Portugal and Colonies	Escudo	....	·0400	·0385	·0385
Singapore	Straits Dollar	....	·4702	·3593	·3593
Spain and Colonies	Peseta	....	·0916	·1008	·1008
Sweden	Krona	....	·2783	·2126	·2126
Switzerland	Franc	....	·2336	·2560	·2558
Thailand	Baht	....	·1000	.....	.....
Turkey	Lira	....	·3571	·3911	·3911
Union of South Africa	Pound	....	4·0300	3·0800	3·0800
United Kingdom	Pound	....	4·0300	3·0800	3·0800
United States	Dollar	....	1·0000	1·0000	1·1000
Uruguay	Peso	Controlled	·6583	·7241	·7241
Venezuela	Bolivar	....	·2985	·3289	·3289
Yugoslavia	Dinar	....	·0200	.....	.....